



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

### Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

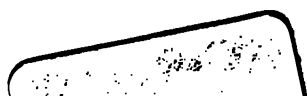
- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

### About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

ENGLAND  
IN  
1815 AND 1845:  
OR,  
A SUFFICIENT AND A CONTRACTED  
CURRENCY.  
BY  
ARCHIBALD ALISON, ESQ. F.R.S.E.  
PRICE FOUR SHILLINGS.

45. 1166.







E N G L A N D

IN

1815 AND 1845 :

OR,

A SUFFICIENT AND A CONTRACTED  
CURRENCY.

LONDON :  
Printed by A. SCOTTISWOOD,  
New-Street-Square.

# ENGLAND

IN

1815 AND 1845 :

OR,

A SUFFICIENT AND A CONTRACTED  
CURRENCY.

BY

ARCHIBALD ALISON, F.R.S.E.

AUTHOR OF

"THE HISTORY OF EUROPE DURING THE FRENCH REVOLUTION,"  
ETC.

WILLIAM BLACKWOOD AND SONS,  
EDINBURGH AND LONDON.

MDCCCXLV.





# ENGLAND

IN

1815 AND 1845 ;

OR,

A SUFFICIENT AND A CONTRACTED CURRENCY.

---

No one can have considered the state of the British empire during the last half century, without being convinced that some great and unprecedented causes have been at work in producing the prodigious fluctuation and change of fortunes by which its domestic history has in that time been distinguished. Nothing similar to it ever occurred without external disaster, or the actual overthrow of society by the ravages of war, since the beginning of the world. It is hard to say whether these changes appear most extraordinary on a retrospect of their effects in time past, or on a contemplation of their results in times present. They have exhibited a combination of prosperity and adversity, of strength and weakness, of riches and poverty, of progress and decline, of grandeur and debility, of joy and sorrow, unparalleled in any former ages of the world, and which, in future times, instructed by our errors, and warned by our sufferings, will probably never again occur.

During the first four years of that period dis-

stress and anxiety generally prevailed, and the nation, labouring alike under external disaster and internal suffering, with difficulty sustained the languid exertions and comparatively small cost of the early years of the war. The whole expenditure of the state, including the interest of the debt, was 15,000,000*l.* in 1793, and by the year 1796 it had risen to 37,000,000*l.*\* The latter sum was considered by Mr. Pitt as so excessive, that he said, in parliament, "it never had been equalled, and probably never would be surpassed." During these four years one only victory at sea — that of Howe — was achieved; we were driven with disgrace from Flanders, Holland, and the north of Germany; Toulon beheld our standards recede before the rising star of Napoleon; our continental alliances were all, with the exception of that with Austria and Russia, broken up; and from the Texel to Gibraltar the whole coast was arrayed in fierce hostility to our arms. Nor was the internal suffering of this ill-omened period inferior to its external disaster. It began with the severe commercial distress of 1793, unprecedented at that period in intensity and duration, and which was only relieved by an extensive loan to the trading classes by Government; and it terminated in the dreadful monetary crisis and run upon the bank and mutiny in the fleet, in spring 1797, which brought the nation to the brink of ruin, and forced upon the Government the necessity of suspending cash payments.

The next eighteen years of the war, from 1797 to 1815, were, as all the world knows, the most glorious,

\* *Porter's Parliamentary Tables*, I. p. 1.

and, taken as a whole, the most prosperous, which Great Britain had ever known. — Ushered in by a combination of circumstances the most calamitous, both with reference to external security and internal industry, it terminated in a blaze of glory and a flood of prosperity which have never, since the beginning of the world, descended upon any nation. Hardly had the run upon the bank shaken to its centre the whole fabric of our commercial industry, and the mutinies at the Nore, Plymouth, and off Cadiz paralysed the arm of our naval defenders, when the victories of St. Vincent and Camperdown again restored to us the dominion of the seas; and ere long the thunderbolts of the Nile and Trafalgar prostrated the naval strength of the enemy, and the victories of Wellington first arrested, and at length broke, his military power. Prosperity, universal and unheard of, pervaded every department of the empire. Our colonial possessions encircled the earth — the whole West Indian islands had fallen into our hands; an empire of sixty millions of men in Hindostan acknowledged our rule; Java was added to our eastern possessions; and the flag of France had disappeared from every station beyond the sea. Agriculture, commerce, and manufactures at home had increased in an unparalleled ratio; the landed proprietors were in affluence; wealth to an unheard-of extent had been created among the farmers; the soil, daily increasing in fertility and breadth of cultivated land, had become almost adequate to the maintenance of a rapidly increasing population; our exports, imports, and tonnage had more than doubled since the war began: and though

distress, especially during 1810 and 1811, had at times been severely experienced among the manufacturing operatives, yet, upon the whole, and in average years, their condition was one of extraordinary prosperity. The revenue raised by taxation within the year had risen to 72,000,000*l.* in 1815, from 21,000,000*l.* in 1796; the total expenditure from taxes and loans had reached, in 1814 and 1815, the enormous amount of 117,000,000*l.* each year. In the years 1813 and 1814, being the twentieth and the twenty-first of the war, Great Britain had above a million of men in arms in Europe and Asia, and remitted 11,000,000*l.* yearly in subsidies to the continental powers. Yet was this prodigious and unheard-of expenditure so far from exhausting either the capital or resources of the country, that the loan in 1814 was obtained at the rate of 4*l.* 11*s.* 1*d.* per cent., being a lower rate than that paid at the commencement of the war; although the annual loan at its close was above 35,000,000*l.*\*, and the population of the empire at that period was only eighteen millions, just two thirds of what it was found to be by the census of 1841.

With the arrival of peace, the sudden contraction of the war-expenditure, and of the vast purchases of so many of the products of industry by a government spending nearly 120,000,000*l.* a-year, there was of necessity great temporary distress and extraordinary difficulty experienced in industry finding out new and pacific channels. This was greatly enhanced by the sudden disbanding of above 300,000 men in arms at the close of the war in the British islands,

\* *Parliamentary Debate*, XXVIII. pp. 66, 67. App. 2—5.

and by the effects of a great commercial crisis which took place, especially in the eastern harbours of the empire, in consequence of the total inability of the impoverished continental states to purchase the prodigious mass of manufactures and colonial produce which was suddenly thrown upon them. Yet the years from 1815 to 1819, though checkered with suffering from these causes, and from two bad harvests in 1816 and 1817, were, upon the whole, prosperous; and this was decisively proved by the fact, that notwithstanding the repeal of the income and war malt taxes, producing together above 18,000,000*l.* a-year. Yet from the entire cessation of loans for the current service of the year, there was an annual surplus\* applied to the reduction of the debt over and above the total amount of loans contracted for taking up Exchequer bills or other financial operations, which, without either adding to or diminishing the debt, merely altered its form.

Since the year 1819 the empire has exhibited the most extraordinary spectacle that the world has perhaps ever witnessed; and it is to it that we earnestly request the attention of our readers, because then began the series of causes and effects in which we have ever since been, and still are, involved.

Considered in one point of view, there never was

* In 1816	-	-	-	-	£3,452,096
1817	-	-	-	-	1,826,814
1818	-	-	-	-	1,624,616
1819	-	-	-	-	3,163,130
					<u>£10,066,656</u>

Porter's *Progress of the Nation*, ii. p. 290.

a nation which, in an equal space of time, had made so extraordinary a progress. Its population had advanced from 20,600,000, in 1819, to 28,000,000, in 1844: its imports had increased from 30,000,000*l.*, in the former period, to 70,000,000*l.*, in the latter; its exports had advanced during the same period from 44,000,000*l.* to 130,000,000*l.*; its shipping from 2,350,000 tons to 3,900,000.\* There never, perhaps, was such a growth in these the great limbs of industry in so short a period in any other state. Nor had agriculture been behind the other staple branches of national industry. Its produce had kept pace with the income, unparalleled in an old state in the population, as well as the still more rapid multiplication of cattle and horses for the purposes of use and luxury; and amidst this extraordinary growth of consumption the still more extraordinary fact was exhibited of the average importation of grain steadily declining from the commencement of the century, till at length, anterior to the six bad seasons in succession, which commenced in 1836†, it had sunk to 400,000

\* The figures are given in round numbers; the exact returns will be found in the tables only. The population in 1841 was 27,019,533: since that time it must, from the present rate of increase, be now, at the distance of four years, about 28,000,000.

† Average importation of foreign grain into Great Britain in ten years, ending

1810	-	-	-	600,946 quarters.
1820	-	-	-	458,578 —
1830	-	-	-	534,992 —
to 1835, five years	-	-	-	398,409 —

Porter's *Parl. Tables*, XI. p. 548.; and  
*Progress of Nations*, i. p. 146.

quarters on an average of the five preceding years, being not a hundredth part of the annual consumption of men and animals, which exceeds 50,000,000 quarters. And what is most extraordinary of all, the returns of the income-tax, when laid on even in the year 1842, a period of severe and unprecedented commercial depression, proved the existence, in Great Britain alone, of 200,000,000*l.* of annual income of persons enjoying above 150*l.* a-year each; of which immense sum about 150,000,000*l.* was from the fruits of *realized capital*, either in land or some other durable investment. It is probable that such an accumulation of wealth never existed before in any single state, not even in Rome at the period of its highest splendour.

Considered in another view, there never was a period in which a greater amount of financial embarrassment has been experienced by Government, or more wide-spread and acute suffering been endured by the people. So far has the exchequer been from sharing in the flood of wealth which has thus been so profusely poured into the empire, that it has, with the exception of two or three years of extraordinary and perilous prosperity, been, during the whole of this period, in a state of difficulty, which at last brought the nation to such a pass that it was extricated from absolute insolvency only by the re-imposition, during European peace, of the war income-tax. Not only was the provident and far-seeing system of Mr. Pitt for the redemption of the debt practically abandoned during the necessities of this calamitous period, but the national account was turned the other way, and the annual



deficiency gradually increased till it had reached the enormous amount of 4,000,000*l.* annually, and added, in six years of peace, no less than 11,000,000*l.* to the amount of the national debt.\* The nation, during the latter years of the war, prospered and experienced general well-being under an annual taxation of 72,000,000*l.*, drawn from eighteen millions of souls : in the latter years of the peace it has, with the utmost difficulty, drawn 50,000,000*l.* from a population of twenty-seven millions. Wages in the former period were high, employment abundant, the working classes prosperous, with an export of British and colonial produce of from 45,000,000*l.* to 50,000,000*l.* annually : in the latter, wages were in many trades low, employment difficult, suffering general, with an annual exportation to the amount of 120,000,000*l.* to 130,000,000*l.*

But extraordinary and apparently inexplicable as these facts are, they are yet exceeded in marvel by the details of our social and economical state during this period of unparalleled increase in our material resources. It may safely be affirmed that the anxiety and distress which were felt during that brilliant period of national growth have never been surpassed, at least in a state possessing the

* Deficiency, 1837	-	-	£1,428,000
— 1838	-	-	441,819
— 1839	-	-	1,381,938
— 1840	-	-	1,750,543
— 1841	-	-	2,149,885
— 1842	-	-	4,075,119
			<u>£11,227,304</u>

external mark of prosperity. It is well known to what straits the Bank of England has been reduced on two different occasions in that period. In December, 1825, it was, as all the world knows, in very great difficulties. We were, as Mr. Huskisson said, "within twenty-four hours of barter." In November, 1839, the stock of specie was reduced to 2,800,000*l.*, and the Bank was under the necessity of negotiating a loan of 10,000,000*l.* sterling from the Bank of France. There can be no impropriety in mentioning these facts, which are universally known, regarding that magnificent establishment, which now has nearly 15,000,000*l.* of bullion and specie accumulated in its coffers. The distress among the mercantile classes for years after the dreadful crisis of December, 1825 — of the agricultural interest during the low prices from 1832 to 1835, and of the whole commercial community from 1837 to 1842, was extreme. Wages sank during these disastrous periods, in the manufacturing districts, so low, that they barely sufficed with the great bulk of workers, especially females, for the support of existence. Serious insurrections broke out in 1820 and 1842, both in England and Scotland, ostensibly for political purposes, but mainly occasioned by the general distress among the manufacturing operatives, as was decisively proved by their entire extinction when labour again received a remunerating return. Farming capital in the agricultural districts was, during their distress, every where grievously abridged — in many places totally annihilated. Ireland during the whole period has been in a state of smothered

insurrection; and for the last four years has convulsed the country by the fierce demand for the repeal of the Union, which was only prevented from breaking out into open rebellion by the continued presence in that island of thirty thousand armed men, between the regular forces and armed police. The manufacturing districts of Scotland were involved, during the same period, in such distress, that in 1837 the mortality in Glasgow was 1 in 32; in 1842, 1 in 30; and in the latter year, 32,000 persons took typhus fever in that city, and the deaths were upwards of 10,000, out of a population not exceeding at that period 280,000 souls. The late Poor Law Commission has accumulated evidence proving to demonstration the existence of severe and unheard-of distress among the poor of all parts of Scotland, generally esteemed, and in some respects with reason, the best-conditioned part of the empire. The Poor Law Commission for Ireland has demonstrated that there are in that fertile land no less than 2,300,000 persons in a state of almost permanent destitution. The heart sickens at the proofs, numerous and incontrovertible, which the Parliamentary Reports for the last ten years have accumulated, of wide-spread and often long-enduring suffering among the labouring poor in England.

“Experience,” says Dr. Johnson, “is the great test of truth, and is perpetually contradicting the theories of men.” Never since the beginning of the world had the doctrines of philosophers been so generally embraced by government,

or measures really intended for the public good so extensively carried into effect by the legislature. Unbounded were the anticipations of prosperity and happiness in which men generally indulged in the adoption of this system; inflexible has been the steadiness with which it has been adhered to amidst an amount of suffering which would long ago have proved fatal to any set of measures among men except those dictated by their own opinions. But amidst all these anticipations, and this steadiness in carrying out the doctrines of free trade in every department of thought and action, various unpleasant indications began to manifest themselves in every part of society; and it became evident to all that the fruits of the tree of knowledge were not, in this generation at least, destined to be different from what they had proved to our first Parents. While wealth was increasing to an unparalleled extent among the commercial classes, suffering and distress as generally ensued among the rural inhabitants; and the multitude of ruined fortunes among them rendered it certain that at no distant period the old race of landed proprietors would, with the exception of a few magnates, be all rooted out, and their place supplied by a new set of purchasers from the commercial towns. While population was advancing with unparalleled strides in the manufacturing districts, pauperism even more than kept pace with it in all; and the extraordinary fact has now been revealed by statistical researches that, in an age of unbounded wealth, and general and long-continued peace, a *seventh* part of the whole inhabitants of

the British islands are in a state of destitution, or painfully supported by legal relief.\*

While all attempts even to pay off the National Debt have been abandoned by government, and the principle openly proclaimed by the Prime Minister, that any surplus of revenue above expenditure must, to relieve the necessities of the country, be applied to the reduction of taxation, without a thought to the reduction of the debt, the Home Secretary has announced the not less alarming fact, that since the peace above two hundred millions sterling, or a fourth of the National Debt, has been raised for the relief of the poor in England alone. While the returns of the income-tax have demonstrated that seventy thousand persons in Great Britain possess among them an annual revenue of two hundred millions a-year, or about 2,300*l.* each on an average, the melancholy fact has been revealed by the result of attempts to increase the national

* Viz. in Ireland	-	-	- 2,300,000
England	-	-	- 1,500,000
Scotland	-	-	- 200,000
			<hr/> 4,000,000

just a seventh of the whole inhabitants, who are now about 28,000,000. Notwithstanding the efforts made to reduce this expenditure on the poor, by the New Poor Law Bill, their cost, in proportion to the numbers of the people, is as great as it was at the close of the war. It was then about 6,000,000*l.* yearly for a population of 18,000,000: it is now about the same for a population of 28,000,000; and as the value of food has fallen nearly an hundred *per cent.* since that time, the real burden of the poor rate is now equivalent to what 11,000,000*l.* or 12,000,000*l.* would have been in 1815, that is, it has advanced faster than the population.

revenue by means of indirect taxation, that that source of income can no longer be relied on; and in a time of profound, and at the close of a period of long-continued peace, it has become indispensable to recur to an assessment on property and direct taxation, as it was in Rome in the decaying periods of the empire. The blue folios of the houses of parliament teem with authentic and decisive evidence of the vast increase during the last thirty years of crime and frequent destitution among the working classes in all parts of the empire. Every four or five years a brief feverish period of gambling, extravagance, and commercial prosperity is succeeded by a long and dreary season of anxiety, distress, and depression; frightful strikes among the workmen, attended with boundless distress among, and hideous democratic tyranny over them, invariably succeed in the close of those periods of suffering, as pestilence stalks in the rear of famine; and popular insurrection has become so common, that it is a rare thing to see two years pass over without martial law being of necessity practically enforced in some part of the empire. And, as if to bring this chaos of contradictions to a perfect climax, at the very time when unheard-of exertions have been made for the education of the people in every part of the empire, and the newly-aroused fervour of religion in all denominations of Christians has drawn forth unparalleled efforts for the diffusion of the Gospel among the working-classes, crime has made unexampled progress in every part of the empire; and the scandal has been exhibited of serious and detected

offences having multiplied *sevenfold* in a realm which, in the same period, has not added more than seventy *per cent.* to the amount of its population; in other words, during a period of unparalleled growth of wealth, and effort at instruction, crime has augmented TEN TIMES as fast as the numbers of the people.\*

We repeat it — this state of things is unparalleled in any other age of the world or quarter of the globe. We say this after due consideration, and a full appreciation of the unutterable and now forgotten miseries in which the world in general, and ourselves among the rest, have been involved in former ages, from the ravages of foreign war, or the grinding of domestic oppression. Nothing is more certain than that the wretchedness of those days infinitely exceeded any thing in the present; and that, compared with their sufferings, the low wages of our sullen Chartists, or the destitution of our starving Repealers, would be esteemed absolute paradise. If any one doubts this, let him read Michelet or Sismondi's account of France during the English wars, the civil contests of the Arma-

\* Committals for serious crime in

	England.	Scotland.	Ireland.	Total.	Population of Great Britain and Ireland.
1805.	4,605	89	3,600	8,284	15,800,000
1819.	14,254	1,380	13,251	28,885	20,600,000
1842.	31,369	3,884	21,352	56,605	27,300,000

Porter's *Parl. Tables* and *Prog. of Nations*, iii. pp. 172. 227.;

Marshall's *Parl. Tables*; Moreau's *Statistique de la Grande Bretagne*, and *Census*, 1841.

The Table above has been compiled from various parts of these authorities, and of course is not to be found in any one of them.

gnacs, or any of the graphic descriptions of the European states during the feudal ages. But what we do say is unparalleled in the history of the world, is the *co-existence* of so much suffering in one portion of the people, with so much prosperity in another; of unbounded private wealth, with unceasing public penury; of constant increase in the national resources, with constant diminution in the comforts of a considerable portion of the community; of the utmost freedom consistent with order, ever yet existing upon earth, with a degree of discontent which keeps the nation constantly on the verge of insurrection; of the most strenuous efforts for the moral and religious improvement of the poor, with an increase of crime unparalleled at the same, or perhaps any other, period in any civilised state.

So habituated has the nation become to the constant contemplation of this extraordinary combination, that a large part, especially of the thinking portion of it, have come to regard it as unavoidable — as the necessary consequence of our advanced national years, and old-established civilisation; and they deem it as vain to fret against it as against the variableness of our climate, or the churlishness of a large portion of our soil. But a little reflection must convince every candid inquirer that this is not the case, and that the notion that public prosperity and private misery, public poverty and private opulence, external peace and internal feuds, general growth and individual decline, necessarily must exist together, is essentially erroneous. Experience, indeed, too clearly shows how invariably the ceaseless agency of human corruption educes



evil out of good, as the opposite springs of human improvement bring good out of evil; and therefore we may always expect to find numerous social and political misfortunes springing up out of the very blessings which have been most ardently desired, and, to appearance, can bring only general felicity in their train. But it is evident that there is, in our present state, something more than this—something which demonstrates the existence of *a great and latent evil* which poisons, for a large part of our people, all our prosperity, and converts the fruits of industry into the apples of Sodom. Admitting that corruption grows with wealth, and selfishness with prosperity, how is it possible to explain the constant penury of the exchequer, at a time when the national resources are advancing with such astonishing rapidity; the necessity of recurring to war taxes at the very moment when pacific sources of wealth are augmenting in an unheard-of ratio; the practical extinction of the sinking fund\*, and renewed increase of debt, at a time when the resources of the nation to meet its engagements are doubling every twenty years; the existence of long-continued suffering and penury

\* We rejoice to see that a surplus of 1,400,000*l.* existed in 1843, which has swelled to 3,000,000*l.*, in 1844. But this is entirely the result of the income-tax: without it, there would have been a deficiency in the former year of 4,000,000*l.*; in the latter of 2,500,000*l.* This surplus, therefore, however much the subject of congratulation, is no index to a more permanently prosperous state of finance from the ordinary pacific sources of revenue. And the surplus, such as it is, has, by the budget of 1845, been entirely devoted to the reduction of taxation, without leaving any thing for the reduction of the debt.

among the working classes, when the products of their industry are advancing with a rapidity unexampled in any former age of the world?

It was not thus in former ages of the world, nor is it so in other countries at the present. When Rome enjoyed eighty years of nearly unbroken repose, under the successive rule of Nerva, Trajan, and the two Antonines, the riches of the imperial treasury kept pace with the opulence and growing resources of every part of the empire; and the magnificent public works carried on during those sunny days, as well by the imperial government as the municipalities in its numerous provinces, the remains of which still exist, demonstrate in a decisive manner the parallel growth of public and private sources of opulence. We read of no such combination of national growth with internal suffering in Flanders or the Italian republics during the days of their greatness; nor do we see the least indication of it in Austria or Prussia at this time, although the population of the latter of these states is increasing much faster than that of Great Britain.\* On the other hand, America has exhibited, during the last twenty years, the example of this woful combination in a still more remarkable degree than the British islands. Great as during that period has at times been — at many times — our internal distress, it is as nothing compared to the dreadful social disasters which have more than once de-

\* Prussia is doubling its numbers in forty-two, the British islands in fifty-six years.

vastated the North American continent, prostrating, like a hurricane, all the structures of human industry by their fury. It is not, therefore, that such disasters are necessarily inherent in an advanced and aged civilisation, but may evidently arise from something peculiar to the state in which it exists, whether in the British empire or among their descendants in the New World.

The Malthusians have a very simple solution for all those contradictions. They say that population is advancing faster than food can be provided for it; that the people are increasing in a geometrical, and their subsistence in an arithmetical, progression, and thence the wide and daily increasing gap between them. But here, again, statistics, which have disproved so many of the pernicious dogmas which political economy, falsely so called, had introduced during the last half century, interfere with decisive effect to distinguish the fallacy. If population was really pressing upon subsistence in the British islands, of course the price of grain should be permanently rising, importation from foreign states steadily increasing, and the number of cultivators increasing, in order, by accumulated strength, to extract food from the encumbered soil. Now, how stands the fact as ascertained by the authentic returns of the late census of the population in the British empire? Why it turns out, that so far from the prices of grain being on the increase, they are steadily diminishing, and anterior to the five bad harvests following 1836 had fallen to 35s. 4d. a quarter; so far from importation aug-

menting, it has been constantly decreasing down to the commencement of the same disastrous period, until it had fallen on an average of five years, from 1830 to 1835, to 398,000 quarters annually — not a hundredth part of the annual consumption ; and so far from the proportion of the community engaged in raising food being, under the pressure of necessity, on the increase, it is constantly and rapidly *decreasing* : and the prodigy is now exhibited in the British islands, of an old state, in which the population is so dense as to be 250 to the square mile, having ample subsistence on an average of years provided for it by less than a FOURTH PART of its inhabitants engaged in the cultivation of the soil.\* At the same time, as if to place the demonstration of the absurdity of the Malthusian doctrine beyond a doubt, the census taken in America in the same year has demonstrated that the proportion of those engaged in the cultivation of the soil, in all the states of the Union taken together, is about THREE TIMES those engaged in other pursuits, and in the states in the valley of the Mississippi no less

\* Table showing the Proportions *per cent.* for each of the Agricultural, Commercial, and Miscellaneous Classes in the under-mentioned Periods, in the British Empire as ascertained by the census for the respective periods :—

	1811.	1821.	1831.	1141.
	per cent.	per cent.	per cent.	per cent.
Agricultural -	- 35	33	28	22
Commercial -	- 44	46	42	46
Miscellaneous -	- 21	21	30	32
	<hr/> 100	<hr/> 100	<hr/> 100	<hr/> 100

*Census, 1841, Part III. Introd. p. 2.*

than *seven times* their number.\* That is, the power of human labour over subsistence — of the hands of man over his mouth — is ten times greater in the old and closely-peopled realm of Britain than in the rising and thinly-peopled realm of America, and three-and-twenty times greater than in the young states beyond the Alleghany mountains, the garden of the world! It may be doubted whether experience ever yet offered so decisive a refutation of human error since the beginning of the world.

Let us not deceive ourselves, therefore, nor ascribe to the laws of nature the misery arising from the erroneous tendency of human institutions. There is food enough in the land and to spare; the surplus of it produced by the cultivators is daily and rapidly on the increase. Nor are our resources by any means approaching their natural limits. On the contrary, they are as yet only in their infancy; and by a vigorous application of science and

* Agriculturists beyond the Alleghany in America	2,092,250
All other classes	- - - - 287,751
Or about $7\frac{1}{2}$ to 1.	
Agriculturists all over America	- - 3,717,756
All other classes	- - - - 1,078,680
Or about $3\frac{1}{2}$ to 1.	
Agriculturists in Great Britain in 1841	- 1,215,264
All other classes	- - - - 3,482,189
Or nearly 1 to 3.	

*American Census, 1841.*

These figures seem to demonstrate that Mr. Alison's argument against Malthus is well founded, and that so far from population advancing faster than subsistence, subsistence, as society advances, is constantly acquiring a greater power over population.—See Alison *On Population*, i. 61.

industry the land could with ease be made to maintain three times its present number of inhabitants. Capital exists, and to profusion, amply sufficient to give full and profitable employment to the whole community. Labour adequate to any possible expansion of industry is at hand. Above two millions of destitute persons are pining for employment in Ireland alone. Our colonies are increasing with unheard-of rapidity. Nearly two millions of souls now exist in British North America; and the hundred and forty thousand in Australia alone consumed in 1843 no less than 1,211,815*l.* worth of British produce, or nearly 10*l.* worth a-head.\* Yet with all this, great and wide-spread distress generally exists among the working poor, and whole classes of society in the more affluent ranks are gradually slipping down to a state of insolvency. That is the prodigy of our times; that it is of which it most behoves us to discover the cause; that it is of which the cause is to a large portion of the community unknown.

In investigating the cause of this extraordinary state of things, one fact of leading importance must, at the very first glance, strike every observer. It is, that the opulence which has flowed into the nation has been very far indeed from being equally distributed; and that, generally speaking, the landed interest have been as much impoverished during that time as the commercial has been enriched. There are, it is true, colossal fortunes vested in land, chiefly in the hands of the aristo-

\* Porter's *Parl. Tables*, 1843.

cracy, which nothing can shake, and which have only become the greater in relation to the expense of living, from the limitation of money, which has proved fatal to so many estates of inferior magnitude, both in land and manufactures, around them. From the general tendency of realised commercial wealth also to investment in its purchase, the income of the landholders, taken as a whole, has rather increased than diminished during this period, from the great number of estates which have passed out of the hands of labouring or insolvent old families into those of new and opulent commercial purchasers. But, notwithstanding this, nothing is more certain than that the landed interests, on the whole, have been in great distress during the last five-and-twenty years; and that for a considerable part of that time their embarrassments were absolutely overwhelming. From 1826 to 1835 the table of the House of Commons literally groaned under the loads of petitions praying for relief to agricultural distress, which the low price of every species of rural produce in the four last of these years too plainly proved were well founded. No person practically acquainted with the condition of the middle or lesser landed proprietors in any part of the empire, during that time, can have a doubt on that point. Let any man of middle years examine the condition of the landholders, having from 500*l.* to 2000*l.* a-year, with whom he began life thirty years ago, and he will find that two thirds of them are practically insolvent; that nearly all are deeply in debt; and that probably a half have sold their estates, and are now dragging out the last years of a useless life and

wasted fortunes in what Dionysius of Syracuse called the most unhappy of all states — an indigent old age. The embarrassments of the landed proprietors are, with the exception of a few magnates, notorious and universal. This is decidedly proved by the prodigious extent to which commercial wealth is every where buying up the estates of the old gentry, and rooting them and their families out of the land. And, what is very remarkable, this state of things is just the reverse of what it was during the war. Agricultural industry was then not only amply, but splendidly remunerated ; rents were constantly rising ; the farmers rapidly made fortunes, and laid the foundation of the whole subsequent agricultural progress of Great Britain ; and the purchase of land with borrowed money was nearly as certain a mode of making a fortune as it has since become a losing one.

The next remarkable feature in the social state of Great Britain for the last quarter of a century has been, that capital has daily acquired a greater advantage over industry, or, rather, large capital over small. This may be regarded as the grand characteristic of the period, and which, in its ultimate effects through society, has produced more wide-spread and durable results than any other. Proofs of this occur on every side ; they lie, as it were, on the surface of things. The common complaint, that there is no getting on now without capital, and that mere industry and good conduct are very far indeed from being a passport to success, if unaccompanied with this advantage, is a proof how strongly it is felt in all classes of



the community. The colossal fortunes made by great capitalists and manufacturers, contrasted with the innumerable bankruptcies of lesser adventurers in the same perilous path, is another proof of the same fact. Every person's experience, especially in the manufacturing districts and commercial towns, must have convinced him of the universality of this tendency. The common complaint, that the money power has become all-powerful — that its sway is paramount in the legislature — and that it is able to set all the other interests in the community at defiance, proves how generally this evil is experienced in all classes. And a most decisive proof of the universal sense of the overwhelming, and often despotic influence of capital has been afforded within this period by the simultaneous springing up, and astonishing multiplication, in all parts of the country, of joint-stock companies. These associations, comparatively unknown in former days, when isolated capital could make its way in the world, demonstrate the sense universally entertained of the inability of small or moderate fortunes, standing alone, to withstand the competition of the great commercial magnates. Like the defensive associations of disorderly or dangerous times, they are the combination of the weak who are endangered, against the strong who threaten danger.

But from this effort at self-defence has arisen another evil, of no small magnitude, and which may come, in process of time, to overthrow the equilibrium of society. These joint-stock companies have themselves become a great and formidable

interest in the state: their sway in the legislature is well known to be superior to the East and West Indian and shipping put together. Falling, as they generally do, under the entire guidance of one or two active and skilful directors, they have in effect enormously augmented the influence, already preponderating, of accumulated capital; they often commit practically, almost with impunity, unbounded inroads upon private property. The obligation of giving compensation to property injured or taken is often rendered almost illusory, from the results of the trials to ascertain its value. Defying competition, such companies are often deaf to the cries of justice: industrial, as the French say, has come in place of territorial feudality; and probably men have already discovered, in most parts of the country, that a joint-stock railway company, with its patriotic professions, accumulated capital, legislative attorneys, skilled engineers, scientific witnessess, railway-stockholding jurymen, and legions of Irish labourers, is a more formidable neighbour than ever was feudal baron, with his mailed men-at-arms, stout archers, strong castles, and open announcement of destruction to his hereditary enemies.

The third feature of the last quarter of a century which is in an especial manner worthy of attention is, that while the growth of the national wealth, as a whole, has been unprecedented, and of its population equally so in an old state, neither the one nor the other have advanced in a proportional manner over the whole country. Generally speaking, the urban population has immensely increased, and the

rural by no means in the same proportion. In some counties the latter appears, from the late census, to have actually declined; in none, excepting the manufacturing districts, has it augmented in any thing like the proportion of the inhabitants of cities. This is matter of common remark, and generally known; but few are aware of the prodigious extent to which the difference has gone. Those who will cast their eye to the note will see a few examples of the difference in the progress of the rural and urban population, which will probably excite general surprise.\* Nor has the increase of opulence in cities been less remarkable than the augmentation in the number of their inhabitants. The daily display of wealth in the metropolis excites the astonishment of every beholder. It is not going too far to say that it is double of what it was at the close of the war. Manchester, Liverpool,

* Towns' Population.		Rural Counties' Population.	
	1821.		1841.
London	1,225,694	Argyle	97,316
Manchester	154,807	Dumfries	70,878
Liverpool	131,801	Perthshire	139,050
Glasgow	147,043	Devon	439,040
Dublin	185,881	Westmoreland	51,359
Birmingham	106,722	Northumberland	198,965
Edinburgh	138,235	Salop	206,153
Bristol	87,779	Buckingham	134,068
Leeds	83,796	Hereford	103,243
Dundee	30,575	Wilts	222,157
			258,733

The general average in both Ireland and Scotland is an increase of  $4\frac{1}{2}$  per cent. in the rural counties, but in the manufacturing counties of Great Britain it is  $27\frac{1}{2}$  per cent. — *Census.*

Birmingham, Glasgow, Leeds, Bristol, Dundee, Aberdeen, and all the trading towns of the empire, have advanced in a similar proportion, not merely in the opulence of a few, but the evident ease and well-being of a considerable proportion of the community. It is impossible to see the streets of comfortable houses calculated for persons of a moderate income, and the miles of villas beyond them for those more advanced in opulence, without becoming sensible that prosperity has almost every where descended far in society in the urban population.

But there are by no means the same symptoms of growing prosperity in the rural districts. We see, indeed, cultivation every where extended, and the most strenuous efforts frequently made to drain and improve the soil, but we perceive scarcely any traces of these exertions leading to the accumulation of fortunes among their authors, to which they are so well entitled. We often hear of shopkeepers and merchants buying villas in the country to enjoy themselves in summer, but we never hear of farmers buying houses in town for recreation in winter. They do not even acquire small properties in the country. Wealth is evidently not accumulating in the hands of the cultivators of the soil. If they can pay their rents and maintain their families they deem themselves fortunate. The middle class of landholders even have almost ceased to frequent towns in winter; the pretext is, that they are going abroad, or are sending their children to the Continent for education: the real fact is, that they cannot afford living in towns in Great Britain, and

they are fain to hide their straitened circumstances under the obscurity of a foreign country. The affluence of the towns is astonishing; but those at present engaged in the labours of agriculture, or in the receipt of its rents, add but little to it. It is derived from manufacturing or commercial opulence, from professional gains, from fortunes brought back from the colonies, or from capital realised from, or rendered a burden on, land in former and more prosperous times.

The last feature—and it is a most distressing one—of society for the last twenty-five years in the British islands has been the extraordinary inequality in the condition of the working classes themselves, and the general want of those habits of foresight amongst them which are the only lasting foundation of durable prosperity, and which might reasonably have been expected to have arisen with the advantages many of them have enjoyed. It is a great mistake to say the working classes are all miserable. Many of them doubtless are so; and what is very extraordinary, certain professions, or trades, are constantly immersed in poverty, while others in their close vicinity are often rioting in affluence. Wages differ in a remarkable and most distressing degree in different places. In many of the agricultural districts they are as low as 7s. or 8s. a week:—the piecers and female workers in manufactories seldom, save in years of extraordinary prosperity, earn more than 6s. Weavers are generally as low as 7s. a week. On the other hand, the cotton spinners, iron-moulders, and other

skilled trades, earn, in ordinary years, from 20s. to 30s. a week; but the affluence of some trades or branches of labour affords no compensation for the degraded and unhappy state of others. It is impossible to strike an average in such cases: you might as well make an average of the happiness of some, and the sorrows of others, in private life. Perhaps, however, those of the labouring classes who are in health and employment are fully as well off, probably better, than they were during any former period of our history. Their wages, indeed, are, in many cases, thirty or forty per cent. lower than they were during the war; but provisions, and the other necessaries or comforts they require, have fallen in a still greater proportion, and their condition, consequently, has been in no way depressed; on the contrary, it has been rather improved by the fall. Many of them in towns, or the manufacturing districts of the country—such as colliers, iron-miners, iron-moulders, cotton-spinners, calico-printers, engine-makers, letterpress-printers, or the like—are in the receipt of from twenty to thirty shillings weekly; and if they have children, the total gains of the family run from forty to fifty shillings. But the philanthropist can scarcely contemplate these gains with satisfaction. They have evidently and painfully outstripped the growth of the artificial wants and regular habits by which the use of augmented incomes should be regulated. They are, for the most part, dissipated in the most wasteful and ruinous debauchery. They breed selfishness, gluttony, and drunkenness in the head of the family; destitution, strife, and broils in his wife

and children.\* There is not, generally speaking, a more unhappy class in society than the families of the operatives who earn high wages, or one which furnishes more numerous additions to the hideous mass of destitution which always is accumulating in the lowest stratum of society.

But it is this condition of the poor in this lowest grade which is the most extraordinary feature of the last twenty years, and which has now assumed such a magnitude as to have become, in every point of view, a national concern. The hand-loom weavers are every where at the starving point; with the utmost industry they can never earn more than seven or eight shillings a-week; during periods of commercial depression it sinks to four or five. The ease with which this trade can be learned, its adaptation to weak or sickly constitutions, the early gain made by young persons, with the immense temptation to a poor family of avoiding a protracted or expensive education for their children by adopting it, is the cause of the universal lowness of wages in this branch of industry. It is the first step above total destitution. But this magnitude and condition of the destitute class itself is the alarming thing. In every great town in the empire there is a mass, about the twelfth or fifteenth of its number, who are generally in a state of almost total penury. In periods of commercial distress this destitute body rises to double, sometimes triple, its average amount. It is from this frightful accumu-

\* There are, of course, many exceptions to this rule; but the observations in the text will be recognised as generally true by all persons practically acquainted with the subject.

lation of poverty, intemperance, vice, and destitution that two thirds of the physical contagion which ravages, and four fifths of the convicted crime which burdens society takes its rise. The alarming increase of offences which penal severity and lenity, uncertainty and certainty of punishments, have been alike unable to restrain, mainly comes from this class. Close packed in the centre and worst parts of every great city — crowded together, many families in the same room — scarce knowing where they are to find their daily food — careless because destitute, often joyous because always unforeseeing, this deplorable body are retained within the precincts of contagion and vice by the iron bonds of hopeless poverty. It is impossible that regular or virtuous habits can be acquired, it is scarcely possible that those of intemperance and wickedness can be avoided, in their dismal abodes. If we penetrate into them we shall find that they are not peopled by any one class of society, but by the unfortunate, the reckless, and profligate from every class; and that the great majority, even of the criminals, are rather the objects of pity than censure. Widows with large families form the most numerous portion of this dreadful community; destitute old men, young thieves, abandoned drunkards, licentious prostitutes, shameless publicans, audacious receivers of stolen goods, and once virtuous families, brought into such hideous society, by being thrown out of employment, compose the remainder. And all this exists unnoticed, unrelieved, within a few hundred yards of the most unbounded opulence, amidst luxury



unheard of, prosperity unexampled, and in a community making a more rapid progress in material resources than any that ever yet appeared upon earth.

For a long period after the conclusion of the war it was said that the public distress, which was so generally and poignantly felt by all the industrious classes, was owing to the transition from the vast national expenditure of the war to the comparatively limited expenditure of the peace; and without doubt this cause, for some years, had a very powerful influence. But it has long ceased to have any effect. It is rather too late now to speak of the transition from war to peace prices, when we are in the thirtieth year of unbroken European peace; when we have during that time twice had, in 1824-5 and 1835-6, a perilous plethora of exuberant prosperity, when the duplication of our imports proved a corresponding increase in the means of purchasing foreign luxuries, and the tripling of our exports has more than counterbalanced the diminished purchases or expenditure on the part of government.

The imprudent remission of indirect taxes since the peace, by successive administrations running against each other in the race for popularity, amounting in all to about 30,000,000*l.*, has been justly stigmatised as the main cause of the present and long-continued embarrassments of the public treasury. But, without disputing the justice of many of these strictures, and cordially concurring in the censure of that temporising policy which purchases present popularity at the expense

of future safety, it may reasonably be doubted whether this precipitate abandonment of indirect taxes was not itself rather an effect than a cause, and whether some great overruling necessity did not exist at the time when this unwinding of the state machine was going on, which rendered it a matter of impossibility to resist the cry of the parties interested in the several branches of our industry for a remission of the duties with which they were burdened. Two things throw much light on this question. 1. The great abandonment of indirect taxes has taken place since 1819; those repealed from the battle of Waterloo to that time amounted only to 1,200,000*l*.\* 2. The indirect taxes since 1819 have repeatedly been found to be unproductive. This was publicly stated by Sir R.

\* Viz. :—

Indirect Taxes repealed before 1819.		Indirect Taxes repealed since 1819.	
1814	- £932,000	1821	- £ 471,000
1815	- 222,000	1822	- 2,139,000
1817	- 37,000	1823	- 4,185,000
1818	- 9,500	1824	- 1,801,000
	<hr/>	1825	- 3,676,000
	£1,200,500	1826	- 1,967,000
	<hr/>	1830	- 4,070,000
		1831	- 1,588,000
		1832	- 747,000
		1833	- 1,000,000
		1834	- 1,200,000
		1838	- 1,500,000
		1842	- 2,400,000
		1845	- 3,000,000
			<hr/>
			£29,754,000

The property-tax, war-malt, and house were direct war taxes.

Peel as the chief reason for reverting to a direct property-tax in 1842, and it had been found before, that the addition of the ten per cent. made to the assessed taxes, to compensate the loss by the reduction of the post-office duty, had produced scarcely any addition to that branch of the revenue. When therefore government, between 1819 and 1845, repealed about 30,000,000*l.* of indirect taxes, it may reasonably be presumed that so prodigious a sacrifice, so embarrassing to the exchequer, and so obviously fatal to the sinking fund, and all hopes of paying off the debt, would not have been made but under the pressure of some very stringent necessity.

And that some great and overpowering cause has paralysed the financial resources of the country during the last five-and-twenty years, to which it formerly was a stranger, is evident from the following consideration. The sum raised by taxes in the year 1815 was 72,000,000*l.*: and the population of the empire was at that period about eighteen millions. Deducting the property and war malt-taxes, which were repealed in 1816, and amounted to 18,000,000*l.* there remains 54,000,000*l.* raised at that period, by indirect taxes, on eighteen millions of inhabitants. These eighteen millions of people have now swelled to twenty-eight millions in the present year; and if none of the taxes had been repealed, and the resources of the empire had continued unimpaired, then twenty-eight millions should now have produced, at the same rate per head, 80,000,000*l.* a-year of income. But the resources of the empire, as proved by its exports, imports, and shipping, have increased in that time not fifty, but above a

hundred per cent.: the exports alone, which were then 51,000,000*l.* being now 130,000,000*l.* and our imports, which were then 32,000,000*l.* having now risen to 70,000,000*l.* There cannot be a doubt, therefore, that had no extraneous cause intervened, the exports of the nation having more than doubled, the imports doubled, and the population advanced a half, the revenue raised by taxes, supposing the rate of taxation to have remained unchanged, should have been at present at least 90,000,000*l.* yearly. Is there any man supposes it possible, by any effort, to raise such a sum at this time from the empire; when, with the aid of a fine harvest, prosperous commerce, and the income-tax, the revenue raised in 1843 was only 56,000,000*l.*? It was evidently impossible, situated as the country has been for the last twenty-five years, to have kept on the large indirect taxation existing at the peace, and under which the nation thrived and prospered during the war.

Some external causes, therefore, must have paralysed and blighted the financial resources of the nation in the midst of such unbounded and increasing growth of the national resources since the peace. And the all-important question arises—What was it which had this effect?

The answer is—It was the CONTRACTION OF THE CURRENCY, which was unnecessarily made to accompany the resumption of cash payments by the bill of 1819, which has been the chief cause of all these effects.

We are well aware of the distaste, amounting in many cases to positive repugnance, with which this subject is regarded by a large portion, probably a

great majority, of readers. We are equally aware that the statistical references, by which alone it is possible to arrive at correct conclusions on the subject, are still more an object of aversion, and that the very sight of the columns of figures is sufficient to make numbers close the volume in despair. We have, therefore, prefaced the remarks which follow with the preceding detail, to demonstrate the vast importance to all classes, of the questions involved in this disquisition. And we have condensed the whole statistical facts requisite for the argument into one table, embracing every thing of value relating to the subject, which has been compiled, with no small labour, from a great variety of sources, all furnished by parliamentary reports, and which may be relied on as correct. It appears to us that this table is decisive of the present question; and, at all events, it furnishes ample subject for reflection, and affords the materials from which alone a correct opinion can be formed on the subject. It well deserves, therefore, the most careful attention on the part of all who are interested in the finances, public or private, of this great empire; and who is there who is not directly or indirectly interested in both?

It need hardly be told to the most heedless or superficial reader, that a currency is required to carry on the transactions, public and private, of men in their intercourse of exchange with each other; that it consists, in general, of the precious metals, which, by the common consent of men, are employed, and have been so from the earliest period, for that purpose, on account of their being

at once rare, durable, and portable; and that, in civilised and mercantile communities, paper notes, of some sort or other, have been usually resorted to in modern times to meet the wants of commerce, and remove the evils which may be frequently felt from the supply of the precious metals being less than the community require.

It follows, as a necessary consequence from this, that, when the commercial transactions of a nation increase, the circulating medium should increase also. This is as necessary a step as that, when a people increase, the subsistence by which they are to be maintained should be augmented in a similar proportion. If twenty millions of men, on an average of years and transactions, require 40,000,000*l.* of circulating medium to conduct their transactions, and if those men swell to thirty millions, they will require, other things being equal, sixty millions for their transactions. If a supply proportioned to the increase of men, and the wants of their commercial intercourse, is not afforded, the circulating medium will become scarce; it will rise in price from that scarcity, and become accessible only to the more rich and affluent classes. The industrious poor, or those engaged in business, but possessed of small capital, will be the first to suffer; they will find it impossible to get the currency necessary to carry on their business, and will fail in consequence. To retain the circulating medium of a nation at a stationary or declining amount, when its numbers are rapidly increasing, and their transactions are daily augmenting in number and importance, is the same thing as it would be to affix

a limit to the issuing of rations to an army, at a time when the number of the soldiers it contained was constantly augmenting ; or to reduce the quantity of oil used in a machine, when the wheels which required its appliance were always on the increase. The inevitable result would be, that numbers would be famished in the first case, and the weaker parts of the machine impeded by friction in the second.

When the precious metals, either over the whole world, or in a particular state, become more abundant than formerly, the necessary consequence is, that they become less valuable, and consequently decline in price. But as, by the custom of all civilised nations, value is measured by a certain amount of the precious metals, either coined or uncoined, received or capable of being received in exchange for them when brought into the market, this decline in value in the circulating medium is rendered apparent by a rise in the money price of all other articles. For example, if a quarter of wheat is worth, or will buy, at a certain time, in a particular country, half a pound weight of pure silver, and by a sudden addition to the productiveness of the mines which supply the world with the precious metals, the amount in circulation is doubled, the result will be, that a quarter of wheat will be worth, or will sell for, a whole pound of pure silver. And, *e converso*, if the supply of the precious metals is again contracted to its former amount by a failure in the sources from which they are obtained, or an extraordinary absorption or hoarding of them in any particular part of the

world, so that the currency in that country is restored to its former and more limited amount, the quarter of wheat will again come to be worth, or to be equal in value in exchange, to half a pound of pure silver only. All this is the necessary result of the principle, that commodities are valuable and bring high prices when they are scarce, and decline in exchangeable value and bring low prices while they are abundant, which is universally and constantly evinced in the transactions of private life.

The vast addition made to the amount of the precious metals in circulation over the world by the discovery of the mines of Mexico and Peru, which, in the space of half a century, at least doubled their amount, had a very great effect upon the money price of all the articles in human use. They universally rose to double and sometimes treble their former level. The vast difference between prices in former times and what they now are — for example, between the wages of labour in the time of William the Conqueror, when they were a half-penny a-day in ordinary times, and a penny in harvest, and these days, when they are eighteen-pence in general, and thirty-pence in harvest, is owing to the continued effect of the vast addition made during three centuries to the currency of the Old World by the discovery of the gold and silver mines of the New. It was, as Dr. Johnson said of the Highlands, not that labourers were many in former times, but that pence were few.

The supply of the precious metals, coined and uncoined, from the rich mines of Mexico and Potosi, was tolerably steady through the whole of the



eighteenth century, and from the year 1800 to 1810, amounted, as appears from the details collected by Humboldt, to about ten millions sterling a-year.\* About half of this treasure was coined into dollars, and the other half remitted in bullion and bars to Europe. But upon the occurrence of the revolution which broke out in Spanish America in 1810, in consequence of the French invasion of Spain, and which terminated, after thirteen years of turmoil, bloodshed, and revolution, in the independence of the South American states in 1823, this supply underwent an extraordinary diminution. It fell, on an average, to a half, in several years to a *fifth part* of its former average amount; and such has been the destruction of capital and ruin of credit in Spanish America, in consequence of the incessant civil war and successive overthrow of governments which have ever since taken place in those vast regions, that the supply continues at a very low rate. The table in the Appendix, taken from Porter's Parliamentary Tables, amply demonstrates this. So complete was the destruction of the capital engaged in mining during these deplorable convulsions, that the mines were generally abandoned, the machinery in them went to ruin, and the scanty supply of the precious metals obtained for the necessities of European commerce was got by picking up by the hands of slaves the bits of silver out of the dross thrown out of the mines in former and more prosperous days, or melting down the vases and utensils of silver and gold, which had been accumu-

\* Humboldt, *Nouvelle Espagne*, vol. iv. pp. 172. and 279.

lated during the preceding three centuries in the opulent Spanish families in South America, who were ruined by the revolution, and sold their moveable property for subsistence. The city of Potosi sank by the effect of these convulsions from 150,000 to 8000 inhabitants. The remarkable fall of prices which has taken place in Great Britain, and generally over Europe, since the termination of the war, is in great part to be ascribed to this cause. It was the counterpart of the great rise of prices which followed the discovery and prosperous working of the South American mines in the sixteenth century.

Such a rise in the money price of commodities, as is the result of a great and steady addition to the supply of the precious metals throughout the globe, gives a great and important impulse to industry. This arises from two causes. In the first place, it has a tendency to produce a gradual rise of money prices of commodities on an average of years, and therefore remunerates, in an ample manner, both the dealers in those commodities, and the persons who exert their labour on them, or on the raising of raw produce. In the next place, it diminishes in a corresponding degree the weight of debts, and the oppressive burden of money obligations; because, as the money payments to be made in discharging those obligations remain the same, and the prices obtained for the sale of commodities or the wages of industry are generally rising, the real amount of the debt is, on the whole, diminishing. This state of things is eminently favourable to farmers, landlords, manufacturers, artisans, and mer-

chants; because their payments, especially in old debts, are fixed in money amount, and the prices they obtain for the produce of their labour are constantly on an average of years rising. It is, in a corresponding degree, unfavourable to capitalists, bondholders, annuitants, and creditors, because their money payments, *ceteris paribus*, remaining the same, and the price of all the articles of life rising, their property and income are in reality diminished. But as the industrious and producing class is much more numerous than the money-holding and creditor class, the general character of such periods is that of prosperity; and even the monied man is often more than remunerated for the fall in the exchangeable value of his wealth, by the regular and profitable employment which he can find for it, and the high rate in consequence which interest always bears. But upon the annuitant, who has not that advantage, it is a period of constant difficulty, owing to the rise in the money price of commodities, and often of severe distress. This was, generally speaking, the condition of producing classes, capitalists, and annuitants, during the fifteen last years of the war; but the comparative penury of the last was entirely forgotten in the affluence of the two former; and thence its prosperous character, and, in a great degree, glorious termination.

Such a fall in the money price of commodities as is the result of a great and lasting contraction of the currency, either throughout the globe, or in a particular state, is followed by results in every respect the opposite of these. This arises from two causes. In the first place, such a contraction has

a tendency to produce a general fall of money prices in all the commodities of commerce, and all the branches of produce, and consequently to diminish, on an average of years, and often with most ruinous and distressing rapidity, the money returns obtained by the industrious and trading classes. Commodities purchased, instead of rising, fall in money value when in the buyer's hand—that at once extinguishes, in the case where it obtains, the whole profit of stock. Wages fall from the reduction in the price of their produce, and a considerable period often intervenes before this is compensated by the general fall in the price of commodities. In the second place, the money weight of obligations is seriously, and often ruinously, increased; because the money payment, whether in interest or capital, due to the creditor or lender remaining the same, and the prices obtained for the labour or produce from which it is to be defrayed undergoing a constant diminution, the real amount of the debt is continually on the increase. On the one hand, such a period is eminently favourable to capitalists, creditors, and annuitants, if their debtors only remain solvent; because, as the amount of their money income remains the same, and the price of the various articles they require to purchase is constantly diminishing, their condition is daily becoming more prosperous. But this augmented value of capital and income during such periods is often most seriously compensated by the difficulty of finding a profitable employment for it amidst the multiplied and protracted difficulties of the producing class, owing to the

constant fall in the price of commodities and wages of labour. And, on the other hand, the effects of this distressing fall itself are often much alleviated, and sometimes entirely removed, by the rise in the value of capital and income in the hands of the monied class, such as fundholders, bondholders, and the like, whose income does not fluctuate with the price of commodities, and the augmented expenditure in luxuries and conveniences which they become able to afford from the fall in the money price of the articles which they consume. But, generally speaking, such periods of contracted currency, and consequent fall of prices, are those of increased wealth, augmented comfort, and great extension of the inhabitants of towns, because they are the centres where fixed monied income and extensive capital are to be found. On the other hand, the same periods are distinguished, generally speaking, by distressed circumstances, diminished fortunes, and frequent insolvency, among both the cultivators of the soil and holders of land in the country; because, their money engagements remaining fixed, while the money price of their produce is on an average of years sinking, the surplus remaining at their disposal is constantly decreasing, and frequently entirely swallowed up.

Generally speaking, a period of extending currency is one in which industry, resting on *small* capitals, meets with great encouragement, and such small capitals rapidly increase, because the progressive rise in the average price of commodities renders individual occupations profitable, and in general produces a lucrative return on the purchase

and sale of articles of commerce. In such a period, the monopoly and exclusive advantages of large capitals are seriously infringed upon by the profits and exertions of smaller manufacturers and traders; and the growth of accumulated profits, or capital, is rapid among the humble members of every branch of industry. Small farmers and cultivators in the country quickly realise considerable gains; large ones, in favourable circumstances, frequently make fortunes.

On the other hand, the opposite period of a contraction of the currency, and consequent fall in the money price of all the articles of human consumption, is one in which great profits are sure to be realised by the larger capitalists, and great losses sustained by the smaller. The former prosper, because the magnitude of their transactions enables them to realise a handsome income upon the whole, from a declining and at length almost inconceivably small amount of profit from each transaction; and they gradually get the monopoly of the market in their own line of business, by the extinction of the lesser capitalists, whom the fall in the price of commodities has ruined, or the diminished profits have repelled from entering into competition with them. The latter are involved in difficulties, and for the most part in the end reduced to insolvency, by the constant fall in the value of the articles in which they deal, and the minute fractions to which the profits of production are reduced. Small traders, therefore, and farmers without capital, are speedily ruined in such a state of things; and this labouring or destitute condition is only rendered the more distressing, by the con-

trast which it affords to the wealth and splendour with which the holders of large capital in the same line of business are surrounded.

For a similar reason, a period of extended currency is one in which the smaller as well as larger landholders are prosperous and affluent; because the progressive rise in the price of agricultural produce renders the cultivation of the soil a profitable employment, and brings in lucrative returns alike to the small cultivator and inconsiderable landholder. But a period of contracted currency is one of embarrassment, difficulty, and generally, in the end, of insolvency to the small farmer and moderate landholder; because, their money debts being fixed, and the price of their produce diminishing, the difference between the annual charges of the former and annual returns of the latter, on which they must live, is constantly getting less, and at length disappears altogether. But the great landholders in the country, as the capitalists in the towns, are relieved, in a great measure, from this difficulty; because the magnitude of their income, even though their debts are considerable, in general leaves them a large surplus to live upon, which the fall in the price of the commodities which they have to purchase, and the reduction in the interest of their debts owing to the growth of capital, renders as available to the purposes of luxury and convenience, and sometimes more so, as the more extended income of former times, when currency was more abundant, and money prices and rents consequently higher.

And, for the same reason, the public debt of the

state, if contracted, or in great part contracted, during a period of extended currency and consequent high prices, is sure to be ruinously augmented in relative weight if it comes to be paid off, or even its annual interest discharged, in a period of contracted currency. It is evident that the charge of the debts of the state must, in the end, be defrayed by the industry and produce of its inhabitants, just as the charges of the bonded debts of a landholder must be defrayed by the produce of the industry of his tenants or labourers. If, therefore, the debts of the state are considerable, their weight, how great soever in point of nominal amount, will not be sensibly felt, nor much complained of, during a period of expanded currency and consequently rising prices, because the state, resting on the industry of its people, will possess the means of readily defraying its charges; but it will come to be seriously burdensome, and in the end may become ruinously oppressive, if the currency is contracted, and prices in consequence fall, because then, the money obligations remaining the same, and the prices of the produce of industry continually falling, the difference between them, on which the state must live, is constantly growing less, and in the end may be entirely swallowed up. All attempts to pay off a public debt contracted under high prices, and during an exuberant currency, when the currency has been contracted, and prices have in consequence fallen, will be found to be difficult, if not impossible. A considerable contraction of the currency, to the extent, perhaps, of a third or a half, at once adds a third or a half to



the real amount of the whole debt, public and private, of the country. And the only way, in such a state of things, in which any considerable relief can be obtained, either by private debtors, or the state itself in meeting its current obligations, is by effecting a reduction in the rate of interest paid to the private or public creditors; a mode of relief, however, which, in consequence of the difficulty of finding a profitable investment for the vast and growing accumulation of capital in the hands of the monied classes, often affords a very considerable relief.

It is a bad and most melancholy effect of any considerable and durable contraction of the currency of a country, in which the state and the individuals composing it are extensively involved in money obligations, that its inevitable result, after a course of years, is a considerable, and, in many trades, most distressing reduction in the wages of labour. This is the inevitable result of the reduced prices obtained for the various productions of industry; because the money debts of persons engaged in manufacture or the cultivation of the soil remaining the same, and the money prices received for the produce of this labour constantly declining in price, their only resource is to reduce the cost of production, either by the introduction of machinery, or a reduction in the money wages of labour. Immense are the efforts which human ingenuity makes to achieve this object in both these ways, and extraordinary the success with which these efforts are often attended. The second method, viz. by reduction in the money wages of

labour, is generally effected by the substitution, where that is practicable, of the labour of children or young persons for that of adults, and of women for that of men. In many of the departments of agriculture this is possible only to a very limited extent, owing to the fatiguing labour, unfit for children or women, which is there required, and the small number of rural operations, at least in the fields, to which it is possible, by any ingenuity, to apply machinery. But in manufacturing industry, it is frequently possible to substitute the labour of children or girls for that of men to a very great extent; while, at the same time, the prospect of rendering children and young females an immediate source of gain instead of a burden, operates as the most powerful of all inducements to the working classes, in the neighbourhood of such establishments, to tender their children, even of the most tender age, for employment in the mills and factories. The multiplication of such juvenile workers has an immediate tendency to lower the wages of labour to the adults, generally speaking, engaged in the same lines of business; because an immense mass of young competitors for labour are introduced, who are just as capable as their seniors of performing the different branches of labour in connection with machinery, and are willing to do so at a much lower rate of wages. Thus the wages of most of the classes employed in manufactures rapidly fall during a period of contracted currency; and the only exception to this decline obtains with those workmen whose employment requires so much either of strength or skill as to exclude the com-

petition of such juvenile or feminine competitors. On the other hand, the wages of labour in agricultural districts are less affected, at least for a considerable time, by such a change, because great part of the labour in the fields cannot be done by women or children, and robust arms are happily yet required to steer the ploughs and cut the drains. The tendency of the stream of labour, too, is always from the country to the town, not from the town to the country, on account of the superior sensual attractions to be found in cities, and the greater chance of prizes in the vast lottery of life that is there presented. But the wages even of country labour must come to be in the end affected by the extensive introduction of children and women into the urban manufactories, by reason of the diminished number of males who can obtain an entrance into such seats of manufacturing industry, and the augmented number who must, consequently, look for employment in the different branches of country labour.

All these consequences are the natural result of the fact, that the currency, or the exchangeable medium by which the transactions of men are carried on, is a commodity which varies in price as much as any other in which men deal, and, indeed, from its being so portable and contracted in bulk, is generally more liable to such fluctuation in value than any other article of human commerce. But the extraordinary fluctuations in the value of the currency are concealed in general from the observation of men, in consequence of the currency itself being the universal measure of value, and

therefore of its apparently standing still and remaining fixed while every thing is rising and falling around it. It is as difficult to get the great bulk of men to understand that it is the currency *itself* which is generally shifting in value, when great changes of prices are going on around it, as it is to make them comprehend that the earth is moving rapidly through the heavens, when it appears to them to stand still, and to be surrounded by the sun, moon, and stars, which are revolving around it. But the incessant motion of the currency, either in advancing or receding, which generally appears by the rise or fall of prices, is just as certain as the motion of the earth around the sun, and attended with effects not less momentous upon the material interests of men. Prices are no doubt affected by the plenty or cheapness of the article priced, as they are by the plenty or cheapness of the circulating medium which forms the price; but the latter change is just as frequent as the former, and is attended with effects more durable, because less susceptible of remedy by the recurrence of plentiful seasons or fine harvests. And the next generation will be as generally convinced that great part of the fluctuations of prices is owing to fluctuations in the value of the circulating medium, as the present is that the alterations in the relative position of the earth and the planets is owing to the motion of the former as much as of the latter.

The coining of gold and silver, which is universal in all civilised nations, and affixing to them one definite and permanent value by authority of law, has no effect whatever in preventing the fluctu-

ations in the real value of the current coin of the realm. Government, indeed, may direct, that the gold, silver, and copper coin shall all be of a certain weight and fineness, and to secure its being so, take the coining of the precious metals entirely into their own hands. Nothing can be more proper than that they should do so; but the real value of the coin is just as subject to fluctuation as that of the gold and silver bullion from which it is made. You always get, indeed, a sovereign of a certain weight and fineness from the Mint or the Bank, but it is a vain illusion to suppose, on that account, that you have got a substance of fixed and unchangeable value, on which you may securely rest at all times, as indicating property of the same amount. Go into Mark Lane, or Smithfield Market, or any shop in Holborn, and you will find that it will buy at one time fifty, or even a hundred per cent. more of the same article than at another. It will do this, too, often without any change in the relative quantity of such articles in the market, from the mere force of the increased or contracted amount of the circulating medium itself. Ample proof of the reality of such changes of value, from the mere force of changes in the amount of the circulating medium, will be found in the general table following in this article.

Every person knows, that the currency of the British empire has, for above a century and a half, been composed, not merely of the precious metals, intended to represent that circulating medium, and, generally speaking, convertible into it on the demand of the holder, but also of a large quantity of paper, of different kinds, intended to represent

value to a certain amount. That paper is always either the obligations of individuals, or private mercantile firms, of banking companies founded upon private or public credit, or Government. Powers of attorney to sell the three per cent. consols or other Government stock, Exchequer bills, Bank of England or private bankers' stock, railway companies' stock, bank-notes of the Bank of England or private banks, and the bills of private companies or individuals, constitute the general currency of the country, as much as the sovereigns, half-sovereigns, silver shillings and sixpences, and copper money, issued by Government from the Mint. So great is the extent of paper of these various kinds representing value, that it is generally four or five times greater than the whole value of the precious metals in circulation. The total amount of the currency, properly so called, that is, bank and bankers' notes, gold, silver, and copper money, is estimated by Mr. M'Culloch at 72,000,000*l.* sterling in the British empire, of which not a half consists of gold and silver. On the other hand, the amount of bills of private companies and individuals, circulating, on an average, in the empire, has been calculated by a very competent professional gentleman at 132,000,000*l.* sterling.\* So vast is the proportion which the paper, either of public or private individuals, bears to that of the circulating medium, which it is intended, directly or indirectly, to represent.

\* Mr. Leatham, a respectable Yorkshire banker, in *Transactions of Scientific Association*, 1839.

There can be no doubt that the far greater facility of throwing off and issuing bank-notes or other commercial securities than purchasing bullion and coining money, affords much greater temptations to putting into circulation an excessive quantity of paper, and consequently rendering it redundant, and raising prices of all the commodities of life when exchanged for that paper, than ever can exist for issuing an unnecessary quantity of coined money. It is equally certain, that when this paper possesses by law a forced value—that is, may be legally tendered in payment of debts by the holder at the rate at which it is issued by Government—it may, when so depreciated, afford debtors the means, for an inferior, and often elusory consideration, of discharging their debts, and thereby occasion a ruinous loss to creditors, and inflict the most dreadful evils on society. That was the case, in an especial manner, in France, the Government of which country, during the terrors of the Revolution, issued assignats in a few years to the amount of above 750,000,000*l.* sterling, or about the whole amount of our national debt, without taking any effectual means for its re-absorption by the public exchequer. The consequence was, that the value of that paper fell at last to a thousandth part of its nominal amount; and a breakfast for six persons cost *a louis d'or, in gold, or twenty-eight thousand francs in assignats*. An effect in some degree similar in kind, though infinitely inferior in point of degree, took place in Great Britain during the later years of the war, when bank-notes convertible into gold constituted almost the sole circulation of the country; the

whole gold and silver having been bought up and sent abroad for the service of the Peninsular or German contending armies. Prices then rose, on an average of five years, to double the amount they had been before the commencement of the war; an effect, no doubt, in part owing to the prodigal expenditure of Government during that dreadful crisis, and the effect of the monopoly for the home market created by the continental blockade, but chiefly to be ascribed to the vast issue of paper which then took place on the part of the Bank of England or private bankers, which nearly doubled, as the table following will show, the circulating medium in actual use in the country.

But in such a state of matters, the difference between the market price of gold and the rate at which, by law, the Bank of England are obliged to issue it to the holders of their notes, affords *no index whatever* to the amount of this depreciation. This is the fatal mistake which statesmen and philosophers fell into in 1810, when the memorable discussions on the "Bullion Report" first commenced. They observed that there was a great difference between the current price of gold in the market, when sold as an ordinary commodity, and the Mint price of 3*l.* 17*s.* 10½*d.* an ounce, fixed by law. . . Indeed, so far did this difference go, that a *light* guinea, not having any standard value fixed to it by law, was at one time worth twenty-four shillings, while one of full weight could only be issued by the Bank for twenty-one shillings. They immediately concluded that this difference was the measure of the depreciation of the paper currency,



when it had, in fact, nothing whatever to do with the matter, and arose, not so much from the quantity of paper in Great Britain being excessive, as from gold and silver bearing an extraordinary value on the Continent, from the vast expenditure of the contending parties, which was almost entirely made in specie, in Germany, during the campaigns of Aspern and Wagram, and in Spain during the campaigns of Talavera and Torres Vedras. The test of the paper currency in circulation being excessive, is not to be looked for in the difference between the Mint and market price of gold—for that only shows the difference in the value of that precious metal at the time the Mint price was fixed and the present moment—but *in the enhanced price of commodities, whether paid in bank-notes, silver, or any other currency*. It is to be found, not in the guinea being worth twenty-five shillings, but in the quarter of wheat being at 110s., and the yard of broad-cloth at 30s. And, judging by that test, there can be no doubt that, during the latter years of the war, the circulation of the country was very abundant, and had, consequently, become in some degree depreciated, which appeared in the rise of the price of all the commodities of commerce.

But the observation of the learned Mr. Tooke, so great an authority on this subject, is unquestionably well-founded, that in ordinary times it is impossible that paper convertible on demand into the precious metals can become redundant. The reason is, that the moment it becomes greater than the wants of commerce require, it will be brought back to be exchanged for gold or silver, in order to become a

source of profit. Illustrations of this occur every day in ordinary life. Every person requires to keep some silver or copper money in his pocket for immediate use; the more affluent, in addition to this, require to have some bank-notes or sovereigns at hand for occasional demands, and probably current accounts on which they can draw at their bankers'. But no one is found going about with hundreds of pounds in his pocket; and none but negligent old men, or *millionaires*, think of having 10,000*l.* lying without interest at their credit with their bankers. The vast majority of men, and especially of men of business, by whom the transactions of the country are carried on, leave no more of their funds unprofitable in the shape of currency, than they must have in that form, and place all the rest in some profitable investment or employment yielding a return. It is exactly the same with the aggregate of men which we call a nation. No more than is absolutely required for the purposes of exchange from hand to hand ever will remain out in the form of currency, if it is exchangeable for the precious metals, because every individual composing it, seeking a profit to himself for all he can spare from immediate use, will bring back to the sources from which they issued the unnecessary paper in circulation. Bank-notes, whether public or private, regularly exchanged, as is the practice in Scotland, once or twice a week, and based on an obligation to pay in specie or Bank of England notes, never can become redundant. And if the Bank of England is obliged to pay its notes in the precious metals, neither can its paper ever become excessive; because, the

moment more is out than requires to be kept afloat for the circulation of the country, it will be brought back for the sake of profit to be exchanged for the precious metals.

"It is necessary," says Locke, "that your gold should be coined and have the king's stamp upon it, in order to secure men in receiving it that there is so much gold in each piece. *But it is not necessary that it should have a fixed value put on it by public authority.*" It is the oblivion of the latter part of the maxim of the philosopher, that has produced, and will produce, as long as the present law on the subject subsists, such fatal effects from this obligation to pay in the precious metals. As these metals, by the common consent of men, are the circulating medium of all countries, and bank-notes are issued as representing such medium, and for a profit to the issuers, nothing can be more proper than that, in the ordinary case, they should be under an obligation to take them up with the common currency of men. But nothing can be more unjust, and in its ultimate effects ruinous, than that they should be obliged, as they now are, and have been since the act of 1819, to take them up at a *different price for gold than what it bears at the time in the market.* To do this is to expose the Bank to ruinous loss, at a time when the market price of gold is higher than the Mint price, from the difference between the two, and the certainty of a run on the part of the holders of their notes to realise profit at the expense of that establishment. For example, if the Bank have 15,000,000*l.* of notes in circulation, and the market-price of a sovereign comes to be a guinea, which

may often be the case from an extraordinary demand for gold on the Continent or elsewhere in the world, the Bank, if obliged to pay all their notes in circulation at the standard Mint price of a sovereign, or twenty shillings, would lose fifteen million shillings, or 750,000*l.*, besides having a large part of their specie drawn out. To avoid such a catastrophe, the bank are under the necessity, in ordinary times, of keeping a large treasure, now amounting to nearly fifteen millions sterling, unemployed in their coffers, at an equal loss to themselves and the country. And the moment the price of gold abroad is higher than it is at home, which at once appears by the state of the exchanges becoming unfavourable, they are compelled to reduce their issues, and refuse to advance money even on the best security, in order to contract the circulation, and raise again the value of gold in the home market. This was the cause of the terrible monetary crisis of 1825, and the equally severe and more protracted one from 1837 to 1842. The vast extent of South American speculation in the first case, the calamity of five bad seasons in succession in the second, caused the greater part of the precious metals to go abroad; and consequently the Bank of England were obliged, peremptorily and resolutely, to contract the currency. They did so, and did so rightly, under existing circumstances, in their own defence. With how much ruin it was done to the best interests of the empire, need be told to none who have lived through those disastrous epochs, or will observe their effect on the national resources, as depicted in the returns col-

lected in the table at the end of this paper. It no doubt sounds well, and seems an admirable thing, to have a fixed and unchangeable standard of prices; but it is impossible. You cannot make that permanent whose essence is change; identity is impossible when you yourself, and all around you, are incessantly altering. You might as well have an unchanging standard for life made for it at twenty-five; you might as well cast anchor in a balloon amidst the clouds.

It is the great and peculiar, though hitherto little experienced, benefit of a paper circulation, that it is calculated, if based on the obviously true foundation, viz. an obligation to pay in the precious metals but at *their market price only*—that it tends to avert the dreadful monetary crisis, originating in the precious metals being drained away by accidental causes, and to preserve that *equality* in the circulation, and consequently in prices, which is of such incalculable importance in the transactions of commerce and ordinary life. When gold is drawn away, that is the *very time that paper in larger quantities should be issued*, in order to supply the deficiency; just as, if the supplies of beef for an army become deficient, the strength of the soldiers should be maintained by augmenting the issues of bread. If the circulation were based on the principle of exchange for the precious metals at the current value, this most important and salutary effect would of course take place; because, a large part of the national circulation being withdrawn, in the form of the precious metals, bankers, public and private, would realise a large profit by supply-

ing its place with paper. This was exactly what took place in 1810. Gold was then so dear, in consequence of its absorption in the continental war, that a guinea was worth twenty-four shillings. But what then? The Bank, relieved from the necessity of paying in specie, augmented its issues in proportion. The state and its industry, in absence of guineas, flourished and prospered; the war was brought to a successful issue; and the guineas, attracted by the realised wealth of the British empire, soon returned to the centre of opulence, when the extraordinary cause which occasioned their absence was removed by the return of peace. Had the present system been acted upon in 1810, according to the recommendation of the Bullion Committee, and bank-notes had been rendered scarce when gold disappeared, the nation, and all its trading classes, would have become bankrupt; and we should long since have been a province of France.

But under the present system of compelling the Bank of England to take up their notes in sovereigns at the fixed Mint price, no matter how much it differs from the current price of the same weight of gold in the market, not only is this salutary effect prevented, but an opposite effect of the most pernicious consequence takes place. The Bank of England being compelled, in their own defence, to contract their issues the moment the exchange with foreign countries proves unfavourable, and gold brings a higher price abroad than at home, the result is, that the transference of gold to the Continent or America, from whatever cause, is

immediately followed by a sudden and immediate contraction of the currency, attended, of course, with a corresponding narrowing of credit by all other bankers, and a general monetary spasm and commercial crisis throughout the country. The dreadful catastrophes of December, 1825, and autumn, 1839, were owing to this cause, and would have been entirely prevented, or in a great degree alleviated, by such an *increased issue of paper*, in the absence of gold, as would have compensated the want. This, to a certainty, would have taken place if the issue had been payable in gold at the market price only, and would have been highly profitable to the issuers. No apprehensions need be felt that gold will not return as soon as the crisis is past by the aid of the paper currency; the precious metals will ever flow, in the end, to the centres of opulence and commerce. Their enhanced price for a time only brings them back the sooner. But under the present system a dearth of gold is immediately and necessarily followed by a dearth of paper, and stoppage of credit; ruin to a large portion of the community, and certain and protracted embarrassment to all, as well as a deficit of the revenue, inevitably follow every rise in the foreign price of gold. When beef is scarce, we put the soldiers on half rations of bread also, upon the principle of teaching them to live on contracted supplies. Can we wonder if half the army are starved in consequence?

Nor is there the slightest ground for the apprehension that such a system could destroy any fixed standard of value. It would not do so; it would

still leave the precious metals the common currency of the world, the basis itself, or its representative, of the currency of the British empire. It would only put an end to the perilous and hopeless attempt of establishing a fixed standard of value, when the precious metals are constantly fluctuating, though generally within very narrow limits, in value. But under the present, a fluctuation of sixpence on the value of a sovereign, is sufficient to reduce half the traders of the kingdom to insolvency, and a third of the working classes to pauperism. There is no reason why it should do so in the nature of things, more than a variation of sixpence on the price of a yard of broad-cloth, or a bushel of wheat. What would it signify that the Bank sometimes paid 19s. 10d. and sometimes 20s. 4d. for a one-pound note? The pound would still be the measure of value, and a very slight variation of prices, seldom if ever exceeding five per cent., would only take place in prices according to the varying price of gold and silver. Far greater variations occur every day in the price of all the articles of consumption, and are never complained of. The variations consequent on the sudden contractions and expansions of the currency, under the present system, are ten times greater. We never heard that 100,000l. three per cent. consols was refused for the price of an estate, because that stock was sometimes at 99½, sometimes at 101. We never yet found English guineas or sovereigns refused on the Continent, nor had we the least difficulty in travelling with them every where, though in 1814 they passed for twenty-eight francs,



and have since been down as low as twenty-four francs. They were taken every where at the current rate of the place at the time, and passed for cash as such. Bank-notes should do the same; and then the commercial and monetary crises which now, every six or eight years, desolate the country and paralyse the revenue, would disappear.

Ordinary readers, in the preceding observations, will find nothing, we trust, which they do not understand; many, matter of deep interest and serious reflection. Many will say it is a compound of common-place truisms not fit to be repeated, and absurd paradoxes not worthy of an answer. It is curious, however, that this combination of truisms and paradoxes affords an entire solution and explanation of all the financial embarrassments of the state, and great part of those of individuals, which have occurred within the last twenty-five years, as well as of most of the social and political evils which, during that time, have distracted society, and now have awakened such serious solicitude in all thinking men. It will be seen that the whole evils and peculiarities in our social condition which, in the former part of this treatise, have been shown to exist, and to have existed for a quarter of a century, in the British empire, are precisely the effects which, in the latter part, have been proved to arise necessarily from an unduly contracted following on an expanded currency. It is a happy combination of truisms and paradoxes which affords such an explanation, and points to so simple and efficacious a mode of avoiding or preventing them in future.

But let our readers think what they please of our argument — we implore them to look at the table which concludes its pages, and which throws, we do not hesitate to say, a flood of light on our financial and social situation, and the causes of all the evils, apparently inexplicable, under which we have so long laboured. From its details it appears, that from 1792 to 1797, when bank-notes were exchangeable for gold, the paper currency was about 16,000,000*l.*, at a time when the exports were 30,000,000*l.* Subsequent to 1797, when the obligation to pay in specie was taken away, the bank-notes alone rose continually, until, in 1818, they had reached 28,000,000*l.* of Bank of England notes, and 20,000,000*l.* of country banks; in all, 48,000,000*l.* for England alone; the exports being then about 50,000,000*l.* But since the Bill of 1819 came into operation, compelling the Bank of England to pay their notes in specie at the fixed Mint price of gold, while the exports have been nearly trebled, the imports more than doubled, and the population has advanced fifty per cent. — the currency has been so *contracted* in proportion to the national transactions, that the total amount of gold and silver coin, paper in Bank of England and country bankers' notes, is now only 56,000,000*l.*; while, if it had kept pace with the exports, it would have been 120,000,000*l.*; if it had kept pace with the imports, it would have been 96,000,000*l.*; if it had kept pace with shipping, 94,000,000*l.*; and if it had kept pace with the population, 72,000,000*l.*\* So prodigious a contraction, at a

\* In the subjoined most curious and instructive table, the

time when the national transactions and wants, as measured by the exports, imports, shipping, and population, were so rapidly increasing, necessarily produced incalculable private suffering, an enormous augmentation of debts, and diminution of the prices of all sorts of produce, and the most ruinous financial embarrassments. It has been the cause of the revenue, raised by indirect taxation, constantly sinking, despite the increase of population and industry, until at length the war income-tax became unavoidable; it has practically extinguished the sinking fund, and rendered the debt of 750,000,000*l.* a hopeless burden on the country; and it has added at least forty per cent. to the debts of every man burdened with money engagements within it. And what has rendered this contraction of the currency, amidst the rapidly increasing population and transactions of the British empire, peculiarly impolitic and distressing, it took place at the very time when the annual supply of the precious metals for the use of the globe had, from the distraction of South America, and the ruin of its mines, sunk, on an average of years, to less than a half, sometimes only a *third*, of their former amount; and when the increased wealth of the monied classes,

*official* value of the exports is distinguished from the *declared*. The former is a fixed value, according to a scale constructed in 1696; and so it exhibits a correct view of the increase in the *amount* of our manufactures. The *declared* value of the real money price at the moment, as "declared" by the exporters, and its decline, as compared with the increase of this official value, shows the lessening prices obtained in consequence of the contracted currency and diminished cost of production.

from the enhanced value of money, was daily absorbing a larger portion of it in plate and other articles of luxury. At the very time when the amount of part of our machinery was doubling, of another trebling, we *diminished our supplies of oil*, to facilitate their motion. During a period when the soldiers in our army were increased a half, and their wants more than doubled, we permitted *no increase in the supplies of food*. Need we wonder if the smaller wheels of the machine were entirely stopped? Need we be surprised that dissensions generally prevailed? that the stronger grasped the portions of the weaker? that the poorer were stinted in their rations, and underwent intense suffering, and that great numbers died of famine?

And what is in an especial manner worthy of observation in this table, and decisively proves that it is the bill of 1819 which has been the chief cause of the great fall of prices under which the national resources and those of so many individuals must have so long laboured, is the change made since 1819 in the price of grain, and of the money price of our exports. The former has sunk from an average of about 85s. from 1809 to 1819, to an average of about 50s. from 1819 to 1843. And the declared or money value of exports, which in 1792 were about 10,000,000*l.* more than their official value fixed a century before, and continued higher down to 1819, *suddenly turned in that year*, and have now come to be sixty or seventy millions a-year *less than the official value*. Had the rates of 1792 continued, our exports would now have brought us in, if they had reached their present level, not 120,000,000*l.*

a-year, but 200,000,000% ! so prodigious has been the effect of the application of machinery and juvenile labour to manufactures, under the influence of the pressure produced by the fall of prices, owing to the contraction of the currency. Doubtless the export sale of our manufactures has been immensely increased by this prodigious diminution of prices ; but would it not be far better to have had a less amount of exports and a more remunerating price for what we did send abroad ? Has not the home market been contracted as much and more than the foreign has been expanded ? And is not that a far greater evil than the former effect is a benefit ? It is a great benefit to foreign nations, doubtless, to get our manufactures cheap ; but is it an equal benefit to ourselves to force industry in this island down to the lowest remuneration ? To give us the maximum of work and the minimum of pay ? And that is the evident tendency of the present currency system.

Gold and silver, we are told by political economists, are commodities, and must be treated as such. There can be no doubt that this observation is well founded ; but it must at the same time be added, that they are the most portable of all commodities, and that it is on that very account that by the consent of all nations they are the medium of circulation. Holding the precious metals, then, as a commodity, must they not share the fate of all other commodities, and rise and fall in value, according as their supply is plentiful or scanty in the market ? Must they not fluctuate in value more rapidly and frequently than any other com-

modity, on account of that very facility of transport and universal reception among mankind, which from the earliest ages has rendered them the circulating medium among men? But if the value of the precious metals be thus fluctuating, what can be so absurd, or in its ultimate consequences so disastrous, as to compel the Bank of England, at all times and under all circumstances, to pay in gold at the fixed rate, 3*l.* 17*s.* 10½*d.* per ounce? No matter, though at one time gold, from an extraordinary demand for it on the Continent or in America, is worth 4*l.* 4*s.* an ounce, and at another time, from the excess of the supply in this country, is worth only 3*l.* 10*s.* an ounce—still the Bank must pay at the same rate! They must, in every instance, give five sovereigns for a five pound note, though these five sovereigns are worth to the holder or to themselves, as so much bullion, five pounds ten shillings or six pounds at one time, and only four pounds ten shillings at another. Is it not the obvious and inevitable consequence of such an obligation, to expose the Bank to the certainty of a drain the moment sovereigns become either abundant at home, or are in great demand abroad? That is, does it not render *domestic prosperity or foreign embarrassments alike the forerunner of a frightful monetary crisis?* And is not that precisely what has invariably occurred upon every recurrence of domestic prosperity or foreign disaster since the bill of 1819 was passed?

Transfer the same obligation to other commodities, and see what would be its consequences. Suppose that the Bank were to be bound by act of

parliament to pay two quarters of wheat at all times for a 5*l.* note, or to deliver two hundred pounds of beef, on the principle that the price of wheat was to be fixed at 50*s.* a quarter, and of beef at 6*d.* a pound — what would be the consequence? Would it not be, that a rainy autumn, which threatened to raise the price of wheat to 75*s.*, or a failure in the turnip crop, which presaged a rise of meat to 9*d.* a pound, would instantly be followed by a run on the Bank to get his notes turned into these commodities? If the holder of every 5*l.* note was sure, by sending it to the Bank, of getting two quarters of wheat worth 7*l.* 10*s.*, or two hundred pounds of beef worth the same money, there would speedily be very few five pound notes in circulation in the country. The Bank would in their own defence be driven to defensive measures by a rapid, and to the community fatal, contraction of the currency, the moment that the season gave a forewarning of a rise in the price of wheat or beef. A long drought in spring, rain for six weeks in autumn, would instantly produce a contraction of the currency, a monetary crisis, and convulse the country from one end to the other. And this is exactly what takes place under the present law in regard to paying bank notes in gold at the fixed mint price, with this additional circumstance of evil, that as gold and silver are the most portable of all commodities and most in demand every where, the variations and spasms arising from an obligation to pay in them at a fixed rate, are of more frequent and certain recurrence than a similar obligation in regard to any other commodities.

And this danger, so certain of recurrence, so ruinous in its consequences, would be entirely avoided if the obligation of the Bank was to take up their notes, whether in sovereigns, quarters of wheat, or pounds of beef, at the current market price only; because then the holders of the notes would make no profit by sending them into the Bank, and consequently they would remain in circulation, or at least not be presented for payment for that peculiar and unjust advantage to the holder, and there would be no contraction of the currency.

It is the peculiar and dreadful effect of the present state of the law in regard to the currency, that it renders a brief period of prosperity the *necessary forerunner*, in every instance, of a long period of depression, suffering, and ruin. The reason is, that the extensive transactions which accompany and arise from a season of prosperity and commercial activity absolutely require and of course produce an enlarged circulation. But when this expanded circulation has taken place, it of course becomes depreciated in value, just as a fine harvest makes wheat sink in value, because it has become more plentiful; and if it consists in whole or part of the precious metals, they are speedily sent abroad. The indication of this depreciation is a rise in the money price of all other commodities; its effect is a tendency in the precious metals to go abroad, from the enhanced value which they then bear, owing to their comparative scarcity. The same effect would take place with wheat or beef, if they were not such bulky articles as to require a greater advance of price to compensate the cost of



water carriage to any considerable distance. Thus internal prosperity is necessarily and speedily followed by a disappearance of the sovereigns, a contraction of the currency, and a monetary crisis; because the very plenty of the metallic currency produced by the prosperity had lowered its value, and therefore sent it back into foreign states. So frequently has this evil been experienced of late years, that its recurrence has become matter of common observation, and in a manner proverbial. You will hear the remark made in every railway train, steam-boat, or stage-coach in the kingdom,—that a period of prosperity will be followed by a monetary crisis and general distress. Men seem to resign themselves in despair to this fearful vicissitude, which they are told by high authority is inevitable. They think it is the destiny of man to undergo such alternations, as Lord Brougham says the railway proprietors think it is the destiny of the human race to live beside a railway. There is no destiny, however, in the one case more than the other; in both it arises from the selfishness, the errors, and cupidity of man.

As every thing which is plentiful declines in exchangeable value, and as extended commerce and great manufacturing transactions imperatively require a plentiful circulation, it inevitably follows that an extended commerce and great manufacturing prosperity must be attended by a depreciation in the exchangeable value of the circulating medium in the country where it takes place. If that medium is gold or notes exchangeable into gold, at a fixed rate, the inevitable consequence will be

that every season of remarkable commercial prosperity will be followed, and that, too, right speedily, by a disappearance of the precious metals, a contraction of the currency, and severe commercial and industrial distress. This too will invariably occur when undertakings the most extensive have been set on foot, and obligations the most weighty incurred in conducting them, and numbers the most considerable are engaged in their execution. At the very time when an extended currency and a continued supply of it, and prolonged credit, are most wanted, it is suddenly and ruinously contracted. None but great capitalists can stand such a shock; and hence the prodigious advantage acquired by the money-power after one or two such convulsions. Its competitors are all destroyed. The only way to avoid this frightful evil is to have a large portion of the circulation consisting of bank-notes in the convenient form of 1*l.*, exchangeable for the precious metals, but at the market price only. When this is the case, the contraction of the currency consequent on the disappearance of the precious metals from their abundance in the country where they were becoming depreciated, will be attended with no pernicious effects, because their place will be supplied, during their temporary absence, by the paper currency, which will answer the purpose of conducting transactions and sustaining credit just as well. There is no danger but what gold and silver will return, when this temporary glut is over, to the centre of wealth and enterprise.

Mr. Biddle said, in his report on the causes of

the bankruptcy of the United States' Bank in America, that it was owing to the pressure on the money-market of Great Britain by the 10,000,000 sovereigns which were sent out of England in the autumn of 1839 to purchase grain. There can be no doubt he was right. It was the heavy and long-continued rains of that autumn which occasioned the bankruptcy of that great bank, of all the other American banks, of nine tenths of the merchants of the United States, and, in its ultimate effects, produced the repudiation of their debts by so many of the states, and has inflicted such severe losses on the British Islands. How was it this effect took place? Why should unusual rain in England produce universal insolvency in America? Simply because the Bank, being obliged to pay its notes in sovereigns at the fixed price of 3*l.* 17*s.* 10½*d.* an ounce, the great exportation of the precious metals to the Continent to purchase foreign grain, instantly, as a matter of necessity, compelled the Bank of England forcibly and rapidly to contract their issues. They did this by rigidly rejecting the paper of mercantile houses of the very highest credit and respectability, from no doubt of their solvency, but with the avowed, and, as they stood, necessary purpose of contracting the currency. Guineas disappeared in like manner in 1810, from their absorption in the German and Peninsular campaigns, insomuch that a *light* guinea would sell for 24*s.* But no monetary crisis ensued, for the Bank augmented their issues in proportion, and in the year 1810, had 20,000,000*l.* of paper under discount, being five millions more than in

the preceding, and six millions more than in the succeeding, years.\* That was an instance of the way in which a paper circulation, when gold is by accidental causes drawn abroad, supplies its place and sustains credit and transactions till it returns. The same would have taken place in 1839, if the Bank had been obliged to take up their notes in the precious metals at their current value only. They or the other banks would have issued 10,000,000 additional notes, to supply the place of the 10,000,000 sovereigns sent away, and neither credit nor industry would have suffered any serious stoppage. Instead of this, what were they compelled to do? Why, at the very moment that an expansion of their issues was required by the country, a ruinous, though necessary, *diminution* of it took place. When 10,000,000 sovereigns were sent away, they were under the necessity, instead of *expanding*, as the country required, of *contracting* their issues by 4,000,000*l.*, and of course every other bank did the same.† Thence the misery and distress of the next year, which, by occasioning an unprecedented pressure on the money-market, utterly destroyed credit in the United States, and all but destroyed it in the British islands. Such are two memorable instances of the opposite working of the two systems.

Notwithstanding all this, so much are men accustomed to regard money as of a fixed and un-

\* See Appendix. Paper under discount at Bank:—  
1809, 15,475,500*l.*; 1810, 20,070,600*l.*; 1811, 14,355,400*l.*

† See Appendix. Bank of England notes in circulation:—  
1838, 19,438,000*l.*; 1839, 15,317,000*l.*; 1840, 15,797,000*l.*

changeable value, from not being aware that the variations in its value appear in the prices of other articles, as a shadow of an opaque substance appears on the wall or this earth only, that it is probable nearly the whole present generation of men must be laid in their graves before the truth on this subject, plain as it is, and necessarily as it flows from the axiom, that gold and silver are commodities varying in value like all other commodities, is generally admitted or acted upon. They say, if the Bank was obliged to take up their notes at the current value of gold and silver in the market, they would deluge the country with notes, that the sovereigns would disappear, and we should have assignats over again. There never was a greater mistake. Guineas, no doubt, disappeared in the British islands during the last years of the war; but why? Because they were so imperatively required on the Continent for the service of the Duke of Wellington, and the French and allied armies, that they were worth 25s. apiece there. When sixteen hundred thousand men were engaged in active warfare, on the two sides in Germany and Spain alone, where nothing could be purchased but by specie, it is not surprising that guineas went where they were so much needed and bore so high a price. In truth, such was the demand for the precious metals, owing to that cause, that at length all the currency of the world, attracted to Germany as a common centre, could not supply it; and by a decree on September 30th, 1813, from Peterswaldau in Germany, the allied Sovereigns issued paper notes guaranteed by Russia, Prussia, and England,

which soon passed as cash from Kamskatkha to the Rhine, and produced the currency which brought the war to its successful issue. There was an instance of the manner which a paper circulation, based on proper security, supports credit and supplies the want of specie at the decisive moment. Whereas, according to the present system, the paper would of necessity have been contracted, when the specie became scarce—credit would have been ruined at the critical period, and the vast armaments of the allies would have been dissolved for want of funds for their support.

What makes specie flow abroad is not the mere issuing of paper in any quantity at home—it is the circumstance of its bearing *a higher price* on the Continent than in this country, and that may be owing to many other causes besides a redundant paper circulation. A vast absorption of specie for foreign subsidies and domestic hoarding, as in 1796; a bad harvest in the British islands, as in 1839; a great foreign war, as in 1813; unbounded foreign speculation, as in 1825; a great demand for gold in America, as in 1837, may all create such a high price abroad, and drain away British specie from these islands, without any regard to the quantity of paper issued in them. If indeed paper is, from any accidental and transient cause, issued in excessive quantities at home, the circulation, taken as a whole, will be depreciated, prices will rise, and sovereigns, seeking a more profitable market abroad, will become scarce. But so long as the paper is convertible into gold or silver at the current market price, that effect can

never take place to any dangerous or hurtful extent. That is the grand distinction between such a currency and assignats, bearing a forced circulation, and not convertible any where into the precious metals at any value. If, from the issue of paper in the British islands, prices rise, and the precious metals become scarce, what must be the consequence? Why, that their value will rise in this country from their scarcity, the profit of sending them abroad will cease, and the interests of men will lead them to bring them back. The mere presence of notes in any quantity at home, provided they are convertible into gold at the current market prices, will never, for any length of time, other things being equal, render it scarce in this country. On the contrary, it is the very thing which, in the end, is *sure to bring it back*; because every holder of a note will find it for his interest to present it for exchange into specie, until the elevated value of specie, owing to its scarcity, is removed by its returning. In a word, the same cause which sends specie abroad when the "specie" circulation is abundant, will bring it back, and that too right speedily, when it becomes scarce. Quicksilver does not find its level more speedily and certainly than the precious metals when no extraordinary cause interferes to create an extraordinary demand in one place which does not exist in another. The obligation to convert notes into specie at the market price would operate as a perpetual check, gentle and gradual in its operation, but withal perfectly efficacious, to prevent the issue of paper ever becoming excessive in the country where it existed.

It is usually said that an undue facility in issuing paper leads to extravagant speculation, and that the issue of small notes must be stopped in order to prevent this disastrous effect taking place. There is no doubt that this evil, if not guarded against by certain and very obvious checks, may take place, at least for a short period. If the paper circulation of the empire is 40,000,000*l.*, and by a sudden expansion of trade, or the vast variety of undertakings requiring advances, which are set on foot, it is increased to 60,000,000*l.*, a dangerous impulse may be given to speculations, and serious disasters brought upon the trading and industrious classes in consequence. But two things are observable and worthy of especial notice in regard to this real and by no means contemptible danger.

1. If the notes are all convertible into the precious metals at the market price, the evil, such as it is, *can only be temporary*. If notes are issued to support doubtful speculators, and they push overtrading to an undue extent, their commodities will prove unsaleable, they themselves will become insolvent, and the notes will soon be back upon the issuers, accompanied with disastrous losses, to teach them the necessity of more caution in future.

2. This danger exists to fully as great an extent where there are *no small notes*, and the Bank is obliged to take up all its large ones in sovereigns at the fixed mint price, as where small notes issued by private bankers are the established circulation. The proof of this is decisive. Speculation was far more ruinous in England in 1825, and forty-six private banks broke there in the single month of De-



cember, though the Bank of England was bound to pay in specie at the mint price more than ever it had been during the period from 1797 to 1819, when the Bank Restriction Act was in operation. And over-trading went on from 1835 to 1837 to a far greater extent in Lancashire, where there were no small notes, than in Lanarkshire, where there were; and at this moment there is infinitely more absurd and dangerous speculation in railway shares and pig iron in Liverpool, where there are no small notes, than in Glasgow, where the whole circulation is formed of them.

In truth this over-issue of notes, generally speaking, in pacific times, is an effect, not a cause. It is a plethora of capital which cannot find employment, which is the real origin of extravagant and ruinous speculation, when it continues for any length of time. The effect of such a superabundant accumulation of capital is, that interest is lowered to such a degree, that the holders of it, rendered desperate by this constant decline in their income, when derived from ordinary home investments, seek the most extravagant foreign speculations, or the most hopeless home undertakings. Any thing is greedily swallowed which, got up by a few clever agents and managers, affords the hope of "a good interest." The facility with which money is parted with, under the influence of this thirst for an enlarged income, would *à priori* be deemed incredible. If the investment is foreign, it instantly leads to a drain upon the specie market here, which was the cause of the terrible monetary crisis of December, 1825. If the money is retained, and

spent in railway or other speculations at home, it leads to a large issue of paper money to conduct them. Superficial observers say it is the issue of paper at home which occasions the evil in both cases; but a little consideration must show that that is the effect, not the cause. You might as well say it is the greasing of the wheels which occasions the travelling, or the issuing of the rations which produces the army. It is a stock of money before he sets out which puts the traveller in motion: it is accumulated capital which induces extraordinary speculation, at times sending the specie abroad, at others deluging the country at home with paper money to conduct it.

Consider in this view what was the effect of the return to cash payments, under an obligation to pay in sovereigns at the mint price by the law of 1819. It at once added forty, probably fifty, *per cent.* to the whole available capital of the country, because it added that much to the value of capital in the hands of its holders. Now the capital of the country available to the putting in motion of industry is at least a thousand millions. Eight hundred millions are invested in the public funds alone, and probably at least as much in mortgages, canals, railways, and other investments. Of this sum, it is by no means extravagant to say, that a little more than a half is available movable capital. By the law of 1819, this thousand millions was at once converted into fifteen hundred millions, because it became by the change of prices capable of putting in motion as much industry, or purchasing as many commodities, as fifteen hundred

millions could have done before the change. Is it surprising that so prodigious and sudden an increase to the capital of the nation should have produced a continued tendency during the last quarter of a century to extravagant and perilous speculation? Then the hundred millions lost between South American insolvency and North American repudiation, and the extraordinary tendency, which has increased so prodigiously of late years with the fall in the interest of money and rise of the three *per cents* to 100%, to invest money in the most absurd and outrageous speculations. The advocates of the present monetary system see clearly the danger of fostering speculation which may arise from increasing the paper circulation of the country from forty to sixty millions; but they can see no danger at all in increasing the available capital of the country from a thousand to fifteen hundred millions. They see clearly the mote in their neighbour's eye, but they cannot discern the beam in their own.

It is a common observation, that the country is overwhelmed with a mass of unemployed capital in one quarter, and a mass of human beings pining for employment in another, and yet that these two superfluities cannot meet or aid each other. No one can survey our social state without perceiving that this observation is well founded: and considering that it is the very object of capital to find hands for its undertakings, and of labour to find capital for its support, it appears, at first sight, not a little extraordinary how such an effect can take place, and still more, how it can have

continued, as it has done, for a quarter of a century. But a little reflection on the necessary effect of the great monetary change of 1819 must show, that such a result was its unavoidable and lasting consequence. In the ordinary case, an increase of capital is slow and gradual, and is attended, *pari passu*, by an expansion of the industry and profitable speculations of the country. The two grow together, and mutually support each other. Neither is felt as redundant, by reason of this mutual communication. But when so prodigious an addition as fifty *per cent.* is at once made to the available capital of the state, it is perfectly impossible that it can soon, or for a very long period, find a safe or profitable investment. More than one generation must go to their graves before the proper balance between capital and industry can be restored. In the interval, the most extravagant speculations will to a certainty be indulged in during the intervals of monetary convulsion, in the vain hope of restoring the balance, and finding a fair return for accumulated wealth.

But this is not all. The peculiarity of the change in our monetary system, and which affords the true solution of this extraordinary feature in our social state, of the inability of superfluous numbers and wealth to meet and relieve each other, is to be found in this,—that the same depression of prices which added so immensely to the amount of capital in the country, *diminished in a similar degree the ability of the industrial classes to find a market for their industry.* Wealth was increased, and the remuneration of labour was diminished. When we reflect on the

stupendous fact, that the money value of our exports, which, till 1819, constantly exceeded their official value — in some years by twenty millions sterling, has now fallen so much, that their official value will exceed the declared or real money value this year by *at least seventy millions\**, we may conceive how prodigious has been the diminution effected in the remuneration of our manufacturing industry by this fatal change. Agricultural remuneration, as appears from the change in the price of wheat since 1819, has fallen at least fifty *per cent.*: for from 1800 to 1820 the quarter ranged from 60s. to 120s.; and from 1820 to 1845 it has ranged from 35s. to 84s.† It is within bounds to say, that the change in the law regarding money in 1819 has added fifty *per cent.* to the available capital of the country, while it has taken fifty *per cent.* from the remuneration of its labour. The Table in the Appendix demonstrates it as clearly as any proposition in geometry. Need we be surprised after this, that we are overwhelmed with two superfluities — that of capital and labour — which yet cannot meet or relieve each other.‡

We are constantly told by the working classes that they cannot get an adequate remuneration for

\* In 1843 it was no less than 65,000,000*l.* See Appendix.

† See Appendix, last column.

‡ A decisive proof of the vast depreciation of the remuneration of agricultural labour, and of the rent of land in consequence, notwithstanding the most astonishing agricultural exertions, was lately advanced by Mr. Newdegate in the House of Commons, as afforded by the returns of the income-tax. From that it appears that the rent of land and houses in England, Scotland, and Wales stood, in 1814 and 1843, respectively as follows: —

their industry: that their toil is augmented and their gains diminished: that a fair day's work is no longer worth a fair day's wage. The Reports to the House of Commons and every man's experience must convince him, that, in many branches of industry at least, these complaints are well founded; but the all-important question arises, To what is this calamitous state of things owing? It does not arise from the nature of things. It was never witnessed in the world before. It was not felt in the country during all the calamities and dangers of the war. It has emerged for the first time in a period of profound tranquillity: it is felt with most severity after thirty years of unbroken peace. The simple cause of it is to be found in the contraction of the

## REAL RENTAL, GREAT BRITAIN.

1814.		1843.	
Lands	- £39,405,705	Lands	- £45,753,615
Houses	- 16,259,399	Houses	- 38,475,738

## CORN CONSUMED IN GREAT BRITAIN.

1814.	1841.
43,458,000 quarters.	61,460,879 quarters.

From this it appears that while the rent of land has increased in Great Britain in the last thirty years by about 12 *per cent.*, the rent of houses has advanced 140 *per cent.*, or *nearly twelve times* as much. And although the *produce* of the soil has increased about 46 *per cent.* in the same period, the rent has only increased 12 *per cent.* As the average importation for five years preceding 1836, when the bad seasons began, was only 398,000 quarters, it follows that this great increase of agricultural produce, probably not less in 1844 than 50 *per cent.* as compared with 1814, was almost entirely owing to the efforts of domestic agriculture; undeterred even by the scanty and declining reward which the state of the currency enabled the farmers to obtain for the produce of their toil.

currency to so much less than what the wants of the state require, in consequence of the law of 1819. That law having lowered prices generally fifty, in some trades above a hundred *per cent.*, it has become a matter of absolute necessity to the manufacturers and farmers to lower the cost of production in a similar or greater proportion. Their debts and engagements remain the same; it is in the wages of labour and charges of production, therefore, that the reduction must be made. To effect this has become with the industry of the country a question of life and death. Ruin stared the whole industrious classes in the face, if it was not effected. Immense have been the efforts made during the last twenty-five years to accomplish this object. Astonishing is the success with which, in many branches of manufacture, their efforts have been attended. Many articles of manufacture are now sold for a third or a fourth of their cost thirty years ago. But how has this vast reduction in price been effected? By the unbounded extension of machinery, — by substituting the labour of women for that of men, of children for women, of wheels for both. Hence the juvenile labour, the precocious habits, the youthful profligacy, the middle-aged pauperism, the vast increase of the "*classes dangereuses*," and of crimes of every kind, with which we are now overwhelmed in all the manufacturing districts. It is the convulsive effort of an energetic and industrious people to obviate the effects of the fatal change of prices which has been forced upon them by the contraction of the currency.

We are constantly told, by the supporters of

the present system, that this prodigious reduction in the price of our manufactures, which appears in so striking, and, if not proved by authentic documents, incredible a manner, in the present excess of 70,000,000*l.* in the official over the real or declared value of our exports, is the only hold we have of foreign markets, and that the vast extension of our foreign trade is mainly to be ascribed to this circumstance. There can be no doubt that this extension in the *quantity* of our exports is in a great degree owing to this cause. But is such an extension in the *quantity* of our exports, attended with no proportional extension in the *price received*, either a national or a social advantage? Is it a good thing for this country to be converted into the slave of the world, and to be yearly doomed to produce more work for less pay? That may be a benefit to the slave-holder: is it an equal benefit to the slave himself? Would it not be better for him to have less work and more pay? Considered even with reference to the encouragement of our manufactures, is not the argument fallacious? So vast is the home market for our manufactures in comparison of the foreign, that while our whole exports are of the declared value of 52,000,000*l.* the manufactures for the home market are no less than 133,000,000*l.*\* Now, if this is the case, even when the home market is crippled, as it is now, by the decline of 50 *per cent.* in the remuneration of industry, what would it be if home industry received, by the effects of an adequate currency, an adequate remuneration? It is

\* See Plackman's Stat. Tables for 1842, p. 52.



better to add 50 *per cent.* to a hundred and thirty millions than to fifty millions. For every pound we gain under the present monetary system in our export trade, we should gain three in the home sale of our manufactures, if the currency were placed on a proper footing.

Historians lament the apparently inexplicable perversion with which all administrations have gone on, during the last twenty-five years, taking off one indirect tax after another, until above thirty millions yearly have been lost to the public revenue in the remission of indirect taxes alone, the sinking fund entirely extinguished, every shilling of any surplus that may arise in prosperous years applied to the remission of taxation, and a national debt of 775,000,000*l.* fixed as a permanent and immovable burden about the neck of the nation. This appears the more extraordinary, when it is recollected that during the war a sinking fund, gradually increasing, and which at length amounted to 15,000,000*l.* a year, was religiously set apart for the redemption of the public debt; that between 1816 and 1830 the debt was reduced by nearly seventy millions; and that the population of the empire is now 50 *per cent.* more, and its industry more than double, of what it was at the close of the war. But the marvel ceases when the operation of the contraction of the currency in 1819 is taken into consideration. As that change soon reduced prices from fifty to a hundred *per cent.* while the money engagements of the nation, and all the individuals in it, remained unchanged, it became a matter of *absolute necessity* to the trading and manufacturing classes to get the

indirect taxes lowered or taken off. They were laid on and not felt during the war, because, with a currency equal to the wants of the nation, the tax was compensated by the price, which rose in a similar proportion. But they became crushing and in fact exterminating, when, by the contraction of the currency far within what the wants of the nation required, prices of produce fell to such a degree that the utmost parsimony in the cost of production soon became necessary to realise any profit at all. The persons engaged in every branch of trade were soon able to prove to the Chancellor of the Exchequer, by arguments and calculations alike just and convincing, that unless he remitted the tax which pressed upon their branch of industry they would be unable to carry on their business. The combined clamours or rather just remonstrances of successive bodies of wealthy active men, whose industry and capital created great part of the national wealth, and who were now struggling for life and death, proved too powerful for any or all administrations. Thence the remission since 1819 of thirty millions of indirect taxes, and the abandonment of all hopes of paying off the debt. Half that sum steadily applied to the sinking fund since that time would by this time have paid off six hundred millions of its amount.

Statesmen are never tired of expatiating on the extraordinary and unprecedented difficulties of their situation, with an empire constantly extending and requiring more costly protection, and a revenue which can only be made to expand by the painful screw of direct taxation. They observe,

with astonishment, that the national revenue not only cannot, without that last and dire resource, be made to expand with the national necessities, but that even an increase of wealth and numbers unparalleled in any old state since the beginning of the world, is daily accompanied with a greater difficulty, even in keeping up the revenue at its former amount. They observe, with a sigh, that 72,000,000*l.* was raised amidst general prosperity from the nation, containing 18,000,000 souls only, in 1815; but that not more than 50,000,000*l.*, without the income-tax, can be raised from 28,000,000 in 1845. They cannot comprehend how, with exports increased since that time from 50,000,000*l.* to 120,000,000*l.* official value in round numbers annually, this most embarrassing and vexatious result should have taken place. But the cause of it is perfectly plain—the currency is unduly contracted. Exports have increased, but not the price received for them, in any thing like the same proportion. The total currency ranges from 65,000,000*l.* to 75,000,000*l.*, paper and gold, in the two islands; it should range from 120,000,000*l.* to 130,000,000*l.*, to keep pace with the growth of the nation in population, industry, and commercial transactions. Every man's work in consequence is increased, but his pay is diminished. The efforts the industrious classes make to better their condition by extending their production only make matters worse; they induce an excess of production above consumption—the peculiar and unprecedented evil of these times; they lower the wages and profits of every industrious man. Production is constantly increasing; re-

muneration, save to monied millionaires and territorial magnates, is constantly diminishing. Thence the extension of our national necessities, and the contraction of our national resources ;—thence the experienced necessity, while the present monetary system continues, of recurring to heavy direct taxation ;—thence the abandonment of the Sinking Fund, and permanent imposition of the debt in undiminished amount on the nation ;—thence such frequent monetary catastrophes as have of late years shaken the State to its centre ;—thence the prostration of the national resources to an extent which will, on the first serious external contest, put in hazard the very existence of the empire.

It is often said that the bill of 1819 was a great error, but that it has been got over ; that prices have become accommodated to the new scale ; that the sufferers by it are bankrupt, dead, and buried ; and that every thing would be thrown into confusion again, if any change were now made. There never was a greater mistake. — The seven hundred and seventy-five millions of the National Debt has not become accommodated to the change. The thousand millions of private debt in the community has not found its debtors inured to the change.—The payers of taxes whose incomes have been lowered fifty *per cent.* by its effects have not become reconciled to the change. — The manufacturing and commercial classes, exposed every five or six years to a frightful monetary crisis, fatal to a large part of the persons engaged in business, in consequence of the present obligation on the Bank to pay in specie at

the Mint price, are not enamoured of it. — The farmers who find the prices received for their produce lowered from 50 to 75 *per cent.* are not reconciled to it. — The landlords whose embarrassments are hourly increasing, and one half of whom are in a state of hopeless insolvency from the consequent and unavoidable reduction of their rents, are not accommodated to it. — The nation whose resources have been so seriously impaired by its effects, that any increase of revenue from indirect taxation has become impossible, and the *ultima ratio* of an income tax has become indispensable in the thirtieth year of peace, has not become accustomed to it. — The evils of the system, as long as it is adhered to, are lasting, corroding, and irremovable. — They are not over; they are only in their infancy.

How, it is said, would you remedy these evils? Would you recur to the Bank Restriction Act of 1797? Would you allow every private individual who chooses to call himself a banker to usurp the King's prerogative, and issue paper in unlimited quantities to a credulous public, voracious of money? — The answer is plain. Certainly not. The Bank Restriction Act, necessary and indispensable during war, would be dangerous in peace. The numerous failures of private bankers in England in 1825 have demonstrated that the system of issuing paper then allowed, *combined with the monetary law of 1819*, led to the most frightful convulsions. But, because the old system required revision and amendment, it does not follow it should be removed altogether. The comparative

stability of the Scotch banks during that crisis, and the subsequent and more protracted one from 1837 to 1842, proves that the dangers are not necessarily inherent in an issue of small notes.— It belongs to practical men to devise a mode by which the advantages of a paper currency of small notes may be rendered consistent with security to the public who take them as money.— But that a *mixed* circulation of *small* notes and specie is indispensable to public prosperity, and furnishes the only security against the dreadful monetary crises, with which since 1819 the nation has been devastated, and which must always follow a period of prosperity, when the basis of the circulation is gold alone, appears plain from the preceding pages. And it is submitted to those more practically acquainted than the author with the details of the subject, whether the following system would not remedy the existing evils, without putting the stability of the circulation in any hazard. 1. That the Bank of England should be authorised to issue one-pound notes to any extent, under an obligation to pay them in specie on demand in gold or silver, but at the market price of those metals, when presented only. 2. That private bankers should be authorised also to issue one-pound notes, but under this limitation; that before issuing them, they should deposit securities in the public funds to the amount of 75 *per cent.* or 80 *per cent.* on the notes issued, to be guaranteed as a fund to the holders of the notes and those alone, the issuer in the mean time receiving the dividends accruing on such securities. 3. That in the event of the

market price of gold rising above a certain limit, fixed by law, but at a very high level, the obligation on the Bank to pay in specie should be provisionally suspended, by a permanent law, till the price of gold falls below that limit, when it should again become in force.

1



**TABLE showing the Precious Metals annually raised and coined in the South America Notes of Private Bankers—the Coin annually issued from the Mint the Coin Exports' Declared Value—Excess of Official above Declared Value of Export Empire in every Year from 1792 to 1842,—Money applied to the Redemption of Parliamentary Tables, and other Parliamentary Sources.**

Years.	Money annually raised and coined in South America.	Bank of England Notes in circulation.	Aggregate of Private Bank Notes, England and Wales.	Gold and Silver Coin annually issued from the Mint.	Commercial Paper under Discount at Bank of England.	Exports, Official Value of, Great Britain and Ireland.	Exports, Declared Value.	Excess of Value Over
	£	£	£	£	£	£	£	
1792	5,264,672	11,307,380		1,171,863	1,179,641			
1793	6,391,471	11,388,919		2,747,439	1,842,781	16,231,672	27,361,142	11,1
1794	5,262,391	10,744,020		2,558,895	2,146,671	16,467,491	28,169,112	11,7
1795	5,861,342	14,017,510		493,416	2,946,500	17,267,311	29,671,200	12,4
1796	6,752,592	10,729,520		464,680	3,505,000	17,900,041	30,236,671	12,3
*1797	5,891,611	11,114,120	No return.	2,600,297	5,350,000	18,321,111	31,042,121	12,7
1798	6,762,311	13,095,830		2,967,565	4,490,600	18,556,891	31,252,836	12,6
1799	5,981,311	12,959,610		449,962	5,403,900	22,284,941	35,903,851	13,6
1800	6,112,411	16,854,809		189,137	6,421,900	22,831,936	36,929,007	14,0
1801	5,201,200	16,203,280		450,242	7,905,100	24,501,608	39,730,659	15,2
1802	5,175,957	15,186,880		437,019	7,523,300	25,195,893	45,102,230	19,9
1803	5,032,227	15,849,980		596,445	10,747,600	20,467,531	36,127,781	15,5
1804	5,058,211	17,077,830		718,397	9,982,400	22,687,309	37,135,746	14,4
1805	7,104,436	17,871,170		54,658	11,265,500	23,376,941	37,234,396	13,8
1806	6,502,142	17,730,120		405,106	12,380,100	25,861,879	39,746,581	13,8
1807	5,356,152	16,950,680		None.	13,484,600	23,391,214	36,394,443	13,0
1808	6,169,038	19,183,860		371,714	12,950,100	24,611,215	36,306,385	11,6
1809	6,997,853	18,542,860		298,946	15,475,700	33,542,274	46,049,777	12,5
1810	5,870,972	21,019,609		316,936	20,070,600	34,061,901	47,000,926	12,9
1811	4,718,584	23,360,220		312,263	14,355,400	22,684,400	30,850,618	8,1
1812	3,619,352	23,480,320		None.	14,291,600	29,508,508	39,854,526	10,3
1813	3,784,700	23,210,930		519,722	12,380,200	*	*	
1814	3,687,249	24,801,080	22,700,000	None.	13,285,800	34,207,253	43,447,373	9,2
1815	3,104,565	27,261,650	19,011,000	None.	14,917,000	42,875,996	49,653,245	6,7
1816	2,528,008	27,013,620	15,096,000	1,805,251	11,416,400	35,717,070	40,328,940	4,6
1817	3,481,475	27,397,900	15,894,000	6,711,635	3,960,600	40,111,427	40,349,235	2
1818	3,893,925	27,771,070	20,507,000	3,438,652	4,325,200	42,700,521	45,180,150	2,4
*1819	3,838,350	25,227,100	15,701,328	1,270,817	6,515,000	33,534,176	34,252,251	7
1820	3,557,236	23,569,150	10,576,245	1,797,233	3,883,600	38,395,625	35,569,077	
1821	2,887,487	22,471,450	8,256,180	9,954,444	2,676,700	40,831,744	35,823,127	
1822	3,080,403	18,172,170	8,416,430	5,388,217	3,366,700	44,236,533	36,176,897	
1823	2,638,267	18,176,470	9,920,074	1,045,020	3,123,809	43,804,372	30,589,410	
1824	2,367,426	19,929,800	12,831,352	4,347,145	2,369,800	48,735,551	37,600,021	
1825	2,250,829	26,069,130	14,980,168	4,998,454	4,941,500	47,166,020	38,077,330	
1826	2,327,861	24,955,040	8,656,101	6,505,067	4,908,300	40,965,785	30,847,528	
1827	2,894,007	21,508,550	9,985,300	2,545,656	1,240,400	52,219,280	36,394,817	
1828	2,923,006	22,174,780	10,121,476	1,024,547	1,167,400	52,797,455	36,150,379	
1829	2,354,803	20,264,300	8,130,137	2,555,014	2,250,700	56,213,041	35,212,873	
1830	2,589,879	20,460,060	7,841,396	2,388,032	919,900	61,140,864	38,271,597	
1831	837,343	19,050,880	7,914,216	621,645	1,585,600	60,683,933	37,184,372	
1832	938,729	18,485,310	8,221,895	3,720,902		65,926,702	36,450,594	
1833	3,587,736	17,531,910	10,152,104	1,225,414		69,939,389	39,667,347	
1834		19,195,000	10,152,000	499,724		73,831,550	41,649,191	
1835		18,085,000	10,659,000	256,505		78,376,731	47,372,270	
1836		18,018,000	11,134,000	2,285,501		85,229,837	53,368,572	
1837	No return in these years.	18,887,000	12,012,196	1,329,112	No return.	72,548,047	42,070,744	
1838		19,488,000	10,225,488	3,056,432		92,459,231	50,060,970	
1839		15,317,010	12,259,467	794,295		97,402,726	53,233,500	
1840		15,797,000	10,833,244	216,414		102,705,372	51,401,430	
1841		16,397,450	10,251,450	474,640		102,180,517	51,604,430	
1842		18,290,790	10,311,211	6,269,888		100,260,101	47,361,043	
1843		19,361,410		6,884,455		117,877,278	52,276,449	

X.

Mexican Mines—the Bank Notes of the Bank of England in circulation—the Bank Paper under Discount at the Bank of England—the Exports' Official Value, and ' Official Value—Tonnage of Shipping—Revenue and Population of the British Price of Wheat the Quarter, compiled from Porter's Parliamentary Tables, Marshall's

ss of Value we ared.	Imports' Official Value.	Shipping, Tons.	Population, yearly, of Great Britain.	National Debt in each Year.	Revenue, yearly.	Money applied yearly to Redemption of Debt.	Price of Wheat, per Win- chester bushel.	Years.
£	£			£	£	£	s. d.	
19,659,358	1,068,302	9,400,000	231,537,865	19,258,814	1,558,504	47 1	1792	
19,459,357	719,968	9,800,000	229,614,446	19,845,705	1,634,972	49 6	1793	
22,294,893	1 879,580	9,920,000	234,034,718	20,193,074	1,872,957	54 0	1794	
23,736,889	1,231,461	10,080,000	247,877,237	19,833,520	2,143,697	81 6	1795	
23,187,309	1,384,311	10,200,000	301,861,306	21,454,728	2,639,956	80 3	1796	
21,013,956	1,426,592	10,320,000	355,323,774	23,126,940	3,393,214	62 0	1797	
25,122,203	1,632,112	10,440,000	414,936,334	31,035,363	4,093,164	54 0	1798	
24,066,700	1,746,221	10,560,000	423,367,547	35,602,444	4,528,568	75 8	1799	
28,257,781	1,905,438	10,680,000	447,147,164	34,145,584	4,908,379	127 0	1800	
30,435,268	2,725,949	10,880,000	447,043,489	34,113,146	5,528,315	128 6	1801	
28,308,373	2,147,629	10,942,646	522,231,786	36,368,149	6,114,033	67 3	1802	
25,104,541	2,167,863	11,007,000	528,260,642	38,609,392	6,494,694	60 0	1803	
26,454,281	2,268,570	11,200,000	545,803,318	46,176,492	6,436,929	69 6	1804	
27,344,720	2,283,442	11,404,000	573,529,932	50,847,706	9,406,865	58 0	1805	
25,501,478	2,263,714	11,600,000	593,694,287	55,796,086	9,602,658	88 0	1806	
23,326,845	2,281,621	11,850,000	601,733,073	59,339,321	10,125,419	78 2	1807	
25,660,953	2,324,819	12,020,000	604,287,474	62,998,191	10,681,579	85 3	1808	
30,170,292	2,368,468	12,190,000	614,789,091	63,719,400	11,359,691	106 0	1809	
37,613,294	2,429,044	12,340,000	624,301,396	67,144,542	12,095,977	112 0	1810	
25,240,704	2,474,774	12,596,803	635,583,448	65,173,545	13,073,577	108 0	1811	
24,923,922	2,278,799	12,800,000	661,409,958	65,037,850	14,098,842	118 0	1812	
*	*	13,000,000	740,023,535	68,748,363	16,064,057	120 0	1813	
32,622,771	2,616,965	13,200,000	752,857,236	71,134,503	14,830,957	85 0	1814	
31,822,053	2,601,276	13,420,000	816,311,940	72,210,512	14,241,397	76 0	1815	
26,374,921	2,648,593	13,640,000	796,200,196	62,264,546	13,945,117	82 0	1816	
29,910,502	2,664,986	13,860,000	776,742,403	52,055,913	14,514,457	116 0	1817	
35,845,340	2,674,468	14,000,000	791,867,314	53,747,795	15,339,483	98 0	1818	
29,681,640	2,666,396	14,200,000	794,980,480	52,648,847	16,305,590	78 0	1819	
31,515,222	2,648,593	14,300,000	801,565,310	54,282,958	17,499,773	76 0	1820	
8,617	2,560,203	14,391,631	795,312,767	55,834,192	17,219,957	71 0	1821	
9,636	2,519,044	14,600,000	796,530,144	55,663,650	18,889,319	53 0	1822	
4,912	34,591,260	14,800,000	791,701,612	57,972,999	7,482,325	57 0	1823	
5,516	36,056,551	15,000,000	781,123,222	59,362,403	10,625,059	72 0	1824	
8,690	42,660,954	15,200,000	778,128,265	57,273,869	6,093,475	84 0	1825	
8,257	36,174,350	15,400,000	783,801,739	54,894,989	5,621,231	73 0	1826	
4,463	43,489,346	15,600,000	777,476,890	54,932,518	5,704,766	50 0	1827	
7,076	43,536,187	15,850,000	772,322,540	55,187,142	4,667,965	71 8	1828	
0,168	42,311,609	16,140,000	771,251,932	50,786,602	2,559,485	55 4	1829	
9,267	46,245,241	16,240,000	757,486,997	56,056,616	4,545,465	64 10	1830	
9,561	47,713,889	16,539,318	754,100,549	46,424,446	1,663,093	58 3	1831	
5,168	44,586,741	16,800,000	751,658,883	46,988,755	5,696	52 6	1832	
2,042	45,952,551	17,050,000	743,675,229	46,271,326	1,023,751	47 10	1833	
2,359	49,362,811	17,270,000	751,658,883	46,425,263	1,776,378	39 8	1834	
4,461	48,911,542	17,480,000	743,675,299	45,893,369	1,270,050	35 3	1835	
1,265	57,023,867	17,690,000	758,549,866	48,591,180	1,590,727	57 9	1836	
7,303	54,737,301	17,800,000	761,422,570	50,592,653	None.	51 3	1837	
8,261	61,268,320	18,000,000	762,275,188	51,278,928	Deficiency	57 11	1838	
9,226	62,004,000	18,200,000	761,347,690	52,058,349	from 1837	68 7	1839	
3,936	67,432,964	18,410,000	766,541,680	51,693,510	to 1842 of	65 8	1840	
5,087	64,377,962	18,600,000	766,371,725	52,315,433	12,000,000.	54 6	1841	
9,058	65,204,729	18,840,000	774,319,913	51,120,040	in six years.	46 0	1842	
0,829	65,204,729	18,990,000	773,068,340	56,935,022	1,433,282	47 4	1843	

are.

















